

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

RECEIVED  
NOV 02 1987  
APPLICATION  
(Other instructions on reverse side)

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL ☒DEEPEN ☐

OIL, GAS &amp; MINING

PLUG BACK ☐

b. Type of Well

Oil Well ☐Gas Well ☒Other ☐Single Zone ☒Multiple Zone ☐

2. Name of Operator

Birch Corporation

3. Address of Operator

3801 E. Florida, Suite 900, Denver, Colorado 80210

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*

At surface

1879' FNL, 1827' FEL

At proposed prod. zone

5. Lease Designation and Serial No.

✓ ML-4113

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

San Arroyo

8. Farm or Lease Name

San Arroyo Unit

9. Well No.

#38

10. Field and Pool, or Wildcat

✓ San Arroyo

11. Sec., T., R., M., or Blk. and Survey or Area

Sec. 16, T16S, R25E

14. Distance in miles and direction from nearest town or post office\*

Approximately 31.4 miles NW of Mack, Colorado

12. County or Parrish

Grand

13. State

Utah

15. Distance from proposed\*

location to nearest

property or lease line, ft.

(Also to nearest drlg. line, if any)

1786 ft.

16. No. of acres in lease

640

17. No. of acres assigned to this well

320

18. Distance from proposed location\* to nearest well, drilling, completed, or applied for, on this lease, ft.

100 ft.

19. Proposed depth

7050 ft.

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

7636' GR

22. Approx. date work will start\*

November 1, 1987

## 23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12 1/4"	9 5/8"	36# K-55	350'	200 Sax
8 3/4" & 7 7/8"	4 1/2"	11.6# K-55	7050'	300 Sax

We propose to drill a well as described in the attached program. This well is to be drilled as a twin well to the San Arroyo Unit #14.

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

DATE: 11/23/87

BY: [Signature]

WELL SPACING: R115-2-3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

Signed

[Signature]

Title

OPERATIONS MANAGER

Date

10/30/87

(This space for Federal or State office use)

Permit No.

43-019-31253

Approval Date

Approved by

Title

Date

Conditions of approval, if any:

WELL PROGNOSIS

NOV 02 1987

Prospect/Field San Arroyo Lease # ML-4113  
Well Name San Arroyo Unit #38  
State Utah County Grand  
Location SW 1/4 NE 1/4 Sec. 16 Twp. 16S Rge. 25 E  
Footage 1879' S/N 1827 W/E  
Elevation Gr. 7636' Kb \_\_\_\_\_

( ) Wildcat

(x) Development

DIVISION OF OIL, GAS & MINING

**GEOLOGICAL REQUIREMENTS**

**SAMPLE PROGRAM**

10' samples 350 to 7050  
samples \_\_\_\_\_ to \_\_\_\_\_

Samples to Amstrat: Yes \_\_\_\_\_ No \_\_\_\_\_

Samples to other partners \_\_\_\_\_ No \_\_\_\_\_

Deviation Limit 10° Not to exceed 1°/100'

**LOGGING PROGRAM**

IES \_\_\_\_\_ to \_\_\_\_\_  
Dual Induction 350 to 7050  
BHC Acoustic \_\_\_\_\_ to \_\_\_\_\_  
BHC Density -CNL minimum to 7050  
Laterolog 3 \_\_\_\_\_ to \_\_\_\_\_  
Microlaterolog \_\_\_\_\_ to \_\_\_\_\_  
SNP \_\_\_\_\_ to \_\_\_\_\_  
Gamma Ray Neutron \_\_\_\_\_ to \_\_\_\_\_  
Dipmeter \_\_\_\_\_ to \_\_\_\_\_  
\_\_\_\_\_ to \_\_\_\_\_  
\_\_\_\_\_ to \_\_\_\_\_

CORING PROGRAM None

DST PROGRAM None

Mud Logger Required: Yes X No \_\_\_\_\_  
Type 24 hr. 5050 7050

Geologist: From None to \_\_\_\_\_

**Formation Tops**

**Depth**

Wasatch	Surface
Mesaverde	345'
Castlegate	2292'
Mancos "A"	3068'
Emery	3526'
Niobrara	3866'
Ferron	5622'
Dakota Silt.	5889'
Dakota	5942'
Cedar Mountain	6084'
Morrison	6246'
Entrada	6622'

TD 7050'

**Coowners and Participants**

**DRILLING PROGRAM**

HOLE SIZE		CASING PROGRAM			
		Size	Weight	Depth	Cement
<u>12 1/4</u>	to <u>350</u>	<u>9 5/8"</u>	<u>36# k-55</u>	<u>350'</u>	<u>200 sx reg t2% CaCl2</u>
<u>8 3/4 &amp;</u>	to <u>7050</u>	<u>4 1/2"</u>	<u>11.6 #k-55</u>	<u>7050'</u>	<u>W/ _____ sax</u>
<u>7 7/8</u>	to _____	_____	_____	_____	<u>W/ 300 sx 65/35 s RFC sax</u>

**MUD PROGRAM**

Type	Depth		Characteristics			
	From	To	wt.	Vis.	%Oil	W.L.
Water	-0-	350	8.3-8.5			
Air, air mist	350	6550				
Gel	6550	7050	8.6-8.9			8-10

APPROVED: Land \_\_\_\_\_ Production \_\_\_\_\_  
Geological \_\_\_\_\_ Management \_\_\_\_\_



RECEIVED  
NOV 02 1987

DRILLING PROGRAM  
BIRCH CORPORATION

DIVISION OF  
OIL, GAS & MINING

SAN ARROYO UNIT WELL NO. 38  
SAN ARROYO FIELD  
GRAND COUNTY UTAH

1. SURFACE FORMATION AND ESTIMATED FORMATION TOPS:

Wasatch	surface..
Mesaverde	345'
Castlegate	2292'
Mancos "A"	3068'
Emery	3526'
Niobrara	3866'
Ferron	5622'
Dakota Silt	5889'
Dakota	5942'
Cedar Mountain	6084'
Morrison	6246'
Entrada	6622'

2. ESTIMATED DEPTH AT WHICH OIL, GAS, WATER, OR OTHER MINERAL-BEARING ZONES ARE EXPECTED:

Potential Oil Zones:

Niobrara	3866'
Ferron	5622'
Dakota	5942'
Cedar Mountain	6084'
Morrison	6246'
Entrada	6622'

Potential Water Zones:

Dakota Silt	5889'
Dakota	5942'
Cedar Mountain	6084'
Morrison	6246'
Entrada	6622'

Potential Gas Zones:

Castlegate	2292'
Mancos "A"	3068'
Emery	3526'
Niobrara	3866'
Ferron	5622'
Dakota Silt	5889'
Dakota	5942'
Cedar Mountain	6084'
Morrison	6246'
Entrada	6622'

Potential Mineral Zones:

Mesaverde (coal)	345'
Dakota Silt (uranium)	5889'
Dakota (uranium)	5942'
Morrison (uranium)	6246'
Entrada (uranium)	6622'



### 3. PRESSURE CONTROL EQUIPMENT:

A diagram illustrating the pressure control equipment is attached. BOP equipment will consist of a flanged 10" series 900 hydraulically actuated double gate system complete with blind rams and 3½", 4", or 4½" pipe rams. Remote controls for the system will be operational and hand wheels installed. BOP and the choke manifold will be installed after running and cementing surface casing. This equipment will be used continuously until the well is abandoned or production casing run and cemented for completion. Surface casing, the blind rams, pipe rams and choke manifold will be pressure tested to 1000 psig prior to drilling the plug.

During drilling the operation of this equipment will be inspected daily and the pipe rams checked for operation. The blind rams will be closed every trip when the drill string has been removed. All inspections, operations, and tests of this equipment will be recorded on the daily drilling report as specified in R615-3-7.

Other auxiliary equipment will include a float at the bit, kelly cock and full opening pipe valve on the floor.

### 4. CASING PROGRAM AND AUXILIARY EQUIPMENT:

Surface casing will be new 9-5/8" OD 36#/ft. K-55 grade set from surface to 350 feet and cemented with 200 sacks of regular cement containing 2% calcium chloride and ¼ lb./sk. cellophane. Cement will be circulated to surface.

Production casing will be new 4-½" OD 11.6#/ft. K-55 grade set from surface to 7050 feet and cemented with 300 sacks 65/35 pozmix or RFC cement.

Well head equipment will be a 3000 psig working pressure flanged bradenhead for the 8-5/8" surface casing. A 3000 psig working pressure tubing head will be used.

NOTE: An 8 3/4" bit will be used to drill the cement shoe of the surface casing and penetrate the Castlegate Formation. As soon as the bit is dull, a 7 7/8" bit will be used from this depth to total depth providing that shallow water production is not encountered. If shallow water is encountered, then consideration may be given to running an intermediate casing string of 7" new 20 #/ft. K-55 casing. This string will be cemented with 100 sacks of regular cement and the hole finished with a 6½" bit.

### 5. MUD PROGRAM AND CIRCULATING MEDIUM:

Water will be used to drill the 12½" hole to 350 feet where surface casing will be set. Air or air-mist will be used to drill the 8 3/4"-7 7/8" hole until sufficient gas flow or moisture is encountered requiring the use of a chemical gel mud.

### 6. CORING, TESTING, AND LOGGING PROGRAMS:

No cores or DST's are planned as these are development wells. Proposed logs are:  
Dual Induction log 350'-TD  
BHC Density-Compensated Neutron Minimum 2000' at various intervals

7. ABNORMAL CONDITIONS, BOTTOM HOLE PRESSURES AND POTENTIAL HAZARDS:

Maximum pressure anticipated is 1500 psig in the Entrada Formation and should not require more than normal mud weight for control. No abnormal temperatures or hydrogen sulphide are anticipated.

8. ANTICIPATED STARTING DATES AND NOTIFICATIONS OF OPERATIONS:

Anticipated starting date is November 15, 1987. and it is expected that the duration of operations will be up to 120 days for drilling and completion.

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the Division. Approval will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the Division within a minimum of twenty-four (24) hours prior to spudding. Written notification in the form of a Sundry Notice (Form DOGM-5) will be submitted to the Division within twenty-four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day.

IMMEDIATE REPORT: Spills, blowouts, fires, leaks, accidents or any other unusual occurrences shall be promptly reported to the Division in accordance with requirements of R615-3-35.

If a replacement rig is contemplated for completion operations, a Sundry Notice (Form DOGM-5) to that effect will be filed for prior approval of the Division and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergency situations, verbal approval to bring on a replacement rig will be approved by the Division Engineer.

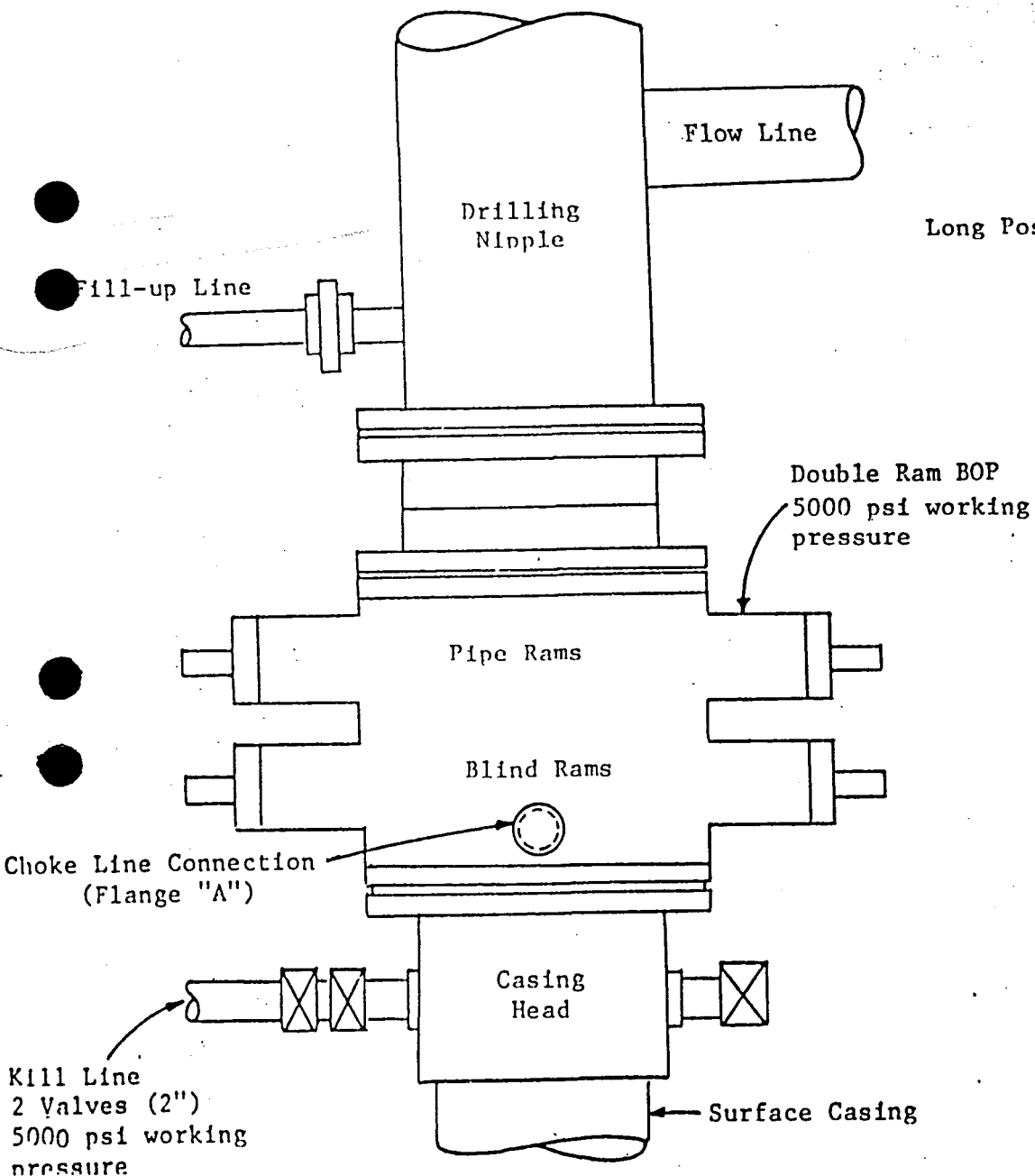
No well abandonment operations will be commenced without the prior approval of the Division. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the Division Engineer. Within five (5) days after receiving oral approval, a written notice of intent to plug and abandon will be submitted on (Form DOGM-5). A "Subsequent Report of Abandonment", (Form DOGM-5) will be filed with the Division within thirty (30) days following completion of the well for abandonment. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Utah Division of Oil, Gas and Mining or their representative, or the appropriate surface managing agency.

Well testing and gas flaring will be conducted according to R615-3-19, R615-3-21 and R615-3-22.

Upon completion of approved plugging, a marker 4"x4' long will be erected in accordance with R615-3-26.7. The marker will be constructed after contouring. The top of the marker will be closed or capped and the following minimum information will be permanently placed on the marker with a plate, cap or beaded-on with a welding torch.

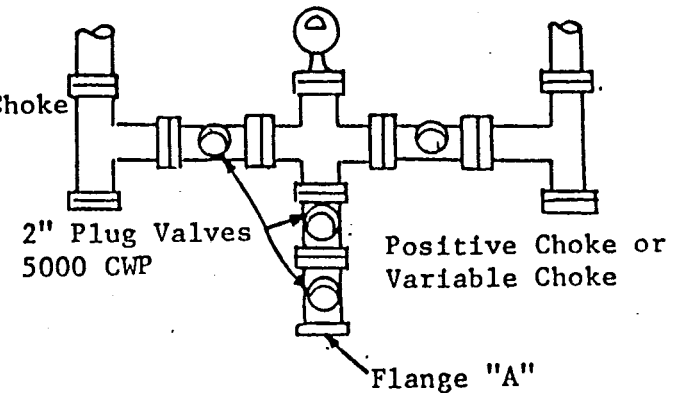
"Well number, location by  $\frac{1}{4}$  section, township, and range".  
"Lease number, county, and state".

# Blow Out Preventor



Flanged Cross with Pressure Gauge in Outside Opening

Long Positive Choke



Plan View-Choke Manifold

## Testing Requirements

Pipe rams: Operated daily.  
Blind rams: Operated and closed every opportunity.  
Accumulation: Checked daily.

Figure III

BLOW OUT PREVENTOR

MULTI-POINT SURFACE USE AND OPERATIONS PLAN  
BIRCH CORPORATION  
SAN ARROYO UNIT WELL NO. 38  
GRAND COUNTY, UTAH

1. EXISTING ROADS:

- A. The location is approximately 31.4 miles northwest of Mack, Colorado.
- B. The proposed route to the location is by traveling west on Highway 6 & 50 approximately 8½ miles to the intersection of Highway 6 & 50 and Mesa County Road No. 2. Turn north off Highway 6 & 50 on Two Road and proceed northwest. Go up Bitter Creek. At San Arroyo, climb San Arroyo ridge. After the switchbacks, the road goes east approximately 1½ miles, then it turns north. Proceed north approximately 1 mile and turn left onto the access road. See Plat No. 1 and Plat No.2.
- C. Plans for improvement, and maintenance of existing roads: Highway 6 & 50 west of Mack, Colorado is a two-lane paved road while Mesa County Road No. 2 is an upgraded graveled road. The roads up Bitter Creek and San Arroyo Ridge to the access to the location are in good shape and will require no improvement. Should maintenance be required, the roads will be flat graded. The roads are currently being used as access to numerous gas wells in the area.

2. PLANNED ACCESS ROADS:

- A. The planned access road to be used has been previously constructed to the location since this is to be a twin location. The road is approximately ¼ mile in length as illustrated by Plat No. 2.
- B. No grades over 8% will be required.
- C. Turnouts: None.
- D. No centerline has been flagged as the road presently exists.
- E. Drainage: The road is to be ditched and crowned and water bars will be used to control drainage after completion of the well as a producer.

- F. Surface Materials: No surface materials will be required. All available material will be utilized to fill the existing slumped area. See Plat No. 5.
- G. Other: No right of way is required since this well is inside the San Arroyo Unit boundary. A pre-existing pipeline will be removed prior to the location construction. See Plat No. 5. After well completion, the pipeline will be replaced. It shall be coated and wrapped and placed in a trench of sufficient depth to maintain 5 feet of cover.

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional areas needed will be approved by the Division in advance.

The access road will be rehabilitated within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the Division will be notified so that temporary drainage control can be installed along the access road.

3. LOCATION OF EXISTING WELLS:

Plat No. 3 illustrates the location of all existing wells in a two mile radius: there are twenty-four (24) producing gas wells and four (4) dry holes.

4. LOCATION OF TANK BATTERIES AND PRODUCTION FACILITIES:

All permanent (onsite for six (6) months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective, earth-tone color. All facilities will be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be Juniper Green.

Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter along with any other sections occurring on the pad. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. LOCATION AND TYPE OF WATER SUPPLY:

All water needed for drilling and completion purposes will be obtained from West Salt Creek as shown by Plat No. 1. The point of divergence is located in Mesa County, Colorado. Water will be hauled to location by truck. A Utah water permit will not be necessary as water is being obtained from Colorado.

6. SOURCE OF CONSTRUCTION MATERIALS:

None.

7. METHOD OF HANDLING WASTE DISPOSAL:

The reserve pit will not be lined. Three sides of the reserve pit will be fenced before drilling starts and the fourth side will be fenced as soon as drilling is completed. The fence will consist of three strands of barbed wire and will be kept in good repair while the pit is drying.

Produced waste water will be confined to the pit for a period not to exceed 90 days after initial production. During the 90 day period an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the Division's approval.

Plat No. 4 illustrates the rig layout and the position of the trash cage and reserve pit.

- A. Cuttings: These will be contained on location in the reserve pit.
- B. Drilling fluids, chemicals and salts: These will be contained in the reserve pit.
- C. Sewage: Chemical toilets will be used.
- D. Garbage and other waste materials: A portable trash cage will be kept on location to contain these. Periodically the location will be cleaned and all trash placed in the container. No trash will be thrown in the reserve pit. The trash cage will be hauled to a sanitary landfill and emptied when it fills up. Barrels, cable, wood pallets, and all other trash will be hauled to a local sanitary landfill to be disposed of. Open burning of trash or refuse is illegal under Section 2.4 of the Utah Air Conservation Regulations. The Operator will be responsible for all trash and roadside litter generated by their operations along their access route- from the County Road to the location.
- E. If burning is required, a permit will be obtained from the State Fire Warden in Moab, Utah.

8. ANCILLARY FACILITIES:

None.

9. WELLSITE LAYOUT:

Plat No. 4 shows the rig layout. Plat No. 5 shows the pad layout. Plat No. 6 illustrates the cuts and fills.

The reserve pit will be located on the north side of the location and a burn pit will be constructed. Both pits will be connected by a small trench so that any accumulation of liquids in the burn pit will drain into the reserve pit. To contain any flare of natural gas, the back side of burn pit will be banked and this should help keep any material contained. The blowie line will be directed into the burn pit and water will be injected into the blowie line for fugitive dust control.

The access road will enter on the south side of the location and the trash cage will be situated to the northwest of the location, as shown by Plat No. 4.

10. PLANS FOR RESTORATION OF SURFACE:

Before any earthwork to restore the location takes place, the reserve pit will be dry and all trash (barrels, metal, etc.) must be removed and disposed of in a sanitary landfill. And immediately upon completion of drilling, the location and surrounding areas will be cleared of all remaining debris, materials, trash and junk not required for production.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled at a time specified by the Division. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The disturbed areas will be reseeded using a seed mixture as stipulated by the Division. Seeding will be accomplished by using a range drill or by doubling the prescribed mixture and broadcasting.

11. PRODUCTION, SURFACE AND MINERAL OWNERSHIP:

If well goes to production, the holder shall submit a proposed operation and maintenance plan for the permanent road after consultation with the authorized officer for applicable road standards.

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed.

All above ground production facilities will be painted with a flat noncontrasting color harmonious with the adjacent landscape, subject to the approval of the authorized officer.

Plat No. 7 shows the layout of the typical production facilities and sales line. The sales line will follow the alignment of the road and will be a surface line. The diameter of the sales line will be 2 3/8" tubing with screwed construction. The connections will be coated with an adequate joint compound such as "Baker-Lok" to prevent any leakage. The line will be placed either above the cuts on the high side of the road or it will be staked above the road along the cut slopes.

The surface and minerals are owned by the State of Utah and lease number ML-4113 is described as follows:

Township 16S, Range 25E, Grand County, Utah  
Section 16: All.  
Containing 640 acres.

12. OTHER INFORMATION:

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with R615-3-5.

"Sundry Notice and Report on Wells" (Form DOGM-5) will be filed for approval for all changes of plans and other operations in accordance with R615-8-8.

A cultural resource clearance has been prepared. If cultural material is exposed during construction, work in that spot will stop immediately and the Division of Oil, Gas and Mining will be contacted. All employees working in that area will be informed by the Operator that they will be subject to prosecution for disturbing archaeological sites or picking up artifacts. Salvage or excavation of identified archaeological sites will only be done if damage occurs.

The dirt contractor will be furnished with an approved copy of the surface use plan and any additional State stipulations prior to any work.

This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.



13. LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION:

Representative: Gordon Engineering, Inc.  
P.O. Box 3525  
Grand Junction, CO 81502  
(303)-245-1958

Operator: Birch Corporation  
Mr. Tony Hines  
3801 E. Florida, Suite 900  
Denver, CO 80212  
(303)-759-4400

Certification: I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Birch Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Date

10/30/87



Tony Hines  
Operations Manager

RIO BLANCO COUNTY  
GARFIELD COUNTY

8 21.9 miles to Hwy 6 & 50

Water Source

Plat No. 1

NOV 02 1987

DIVISION OF  
OIL, GAS & MINING

Plat No. 1



NOV 02 1987  
DIVISION OF  
OIL, GAS & MINING

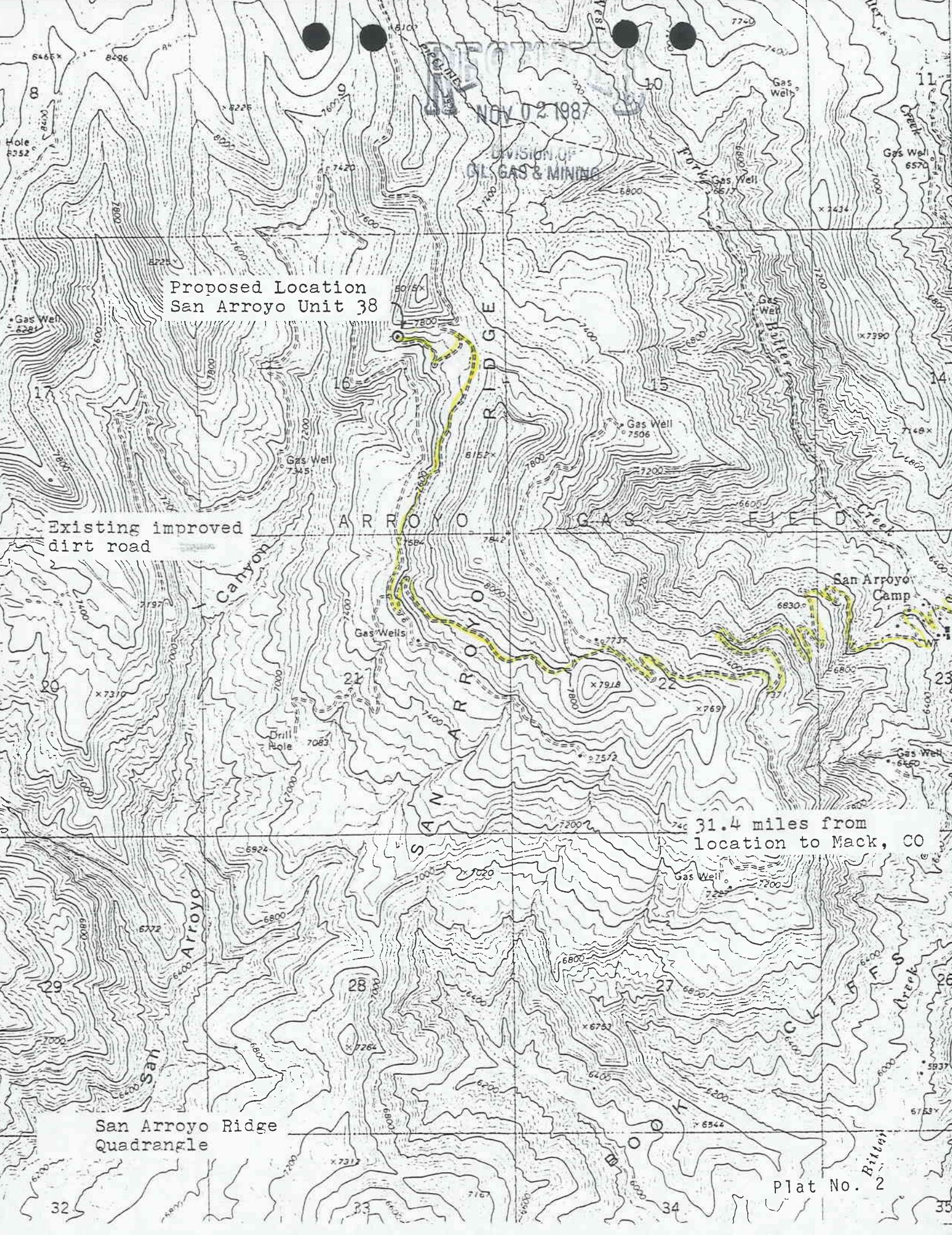
Proposed Location  
San Arroyo Unit 38

Existing improved  
dirt road

31.4 miles from  
location to Mack, CO

San Arroyo Ridge  
Quadrangle

Plat No. 2





RECORDED  
NOV 02 1987

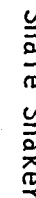
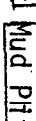
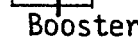
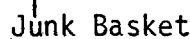
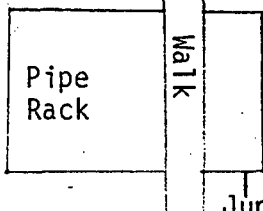
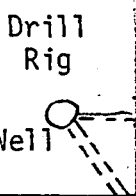
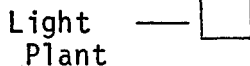
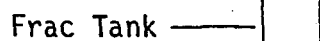
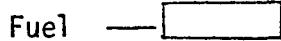
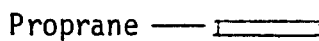
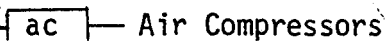
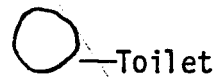
DIVISION OF  
OIL, GAS & MINING

Proposed location

Plat No.3

115'

# RIG LAYOUT



Reserve Pit

Flare Pit

Mud Loggers

Proposed Access Road

**RECEIVED**

NOV 02 1987

DIVISION OF  
OIL, GAS & MINING

SAN ARROYO UNIT # 38



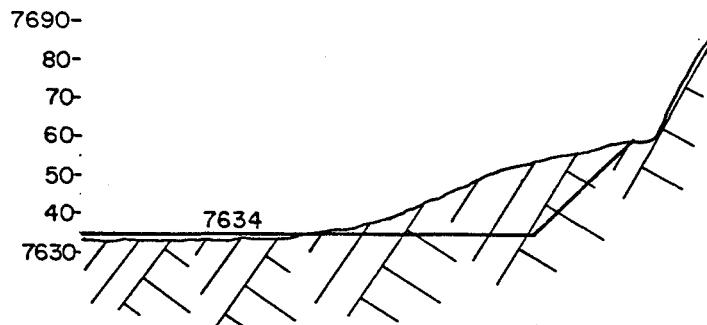
## DIVISION OF OIL, GAS & MINING

SCALE 1" = 50'

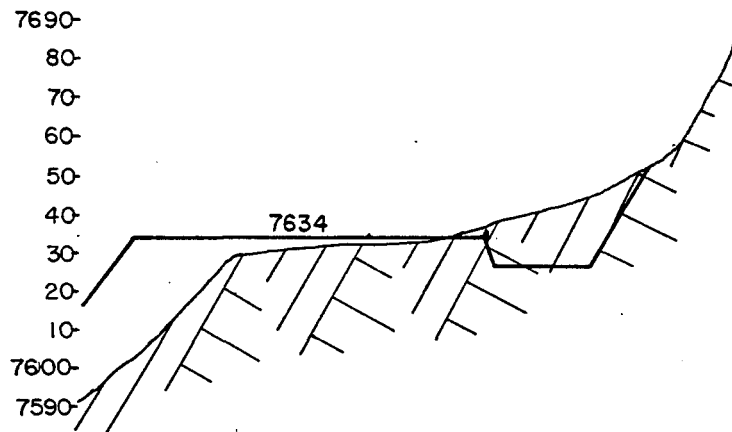
Plat No. 5

# CROSS SECTIONS

## SECTION A - A'



## SECTION B - B'



## SECTION C - C'



RECORDED

NOV 02 1987

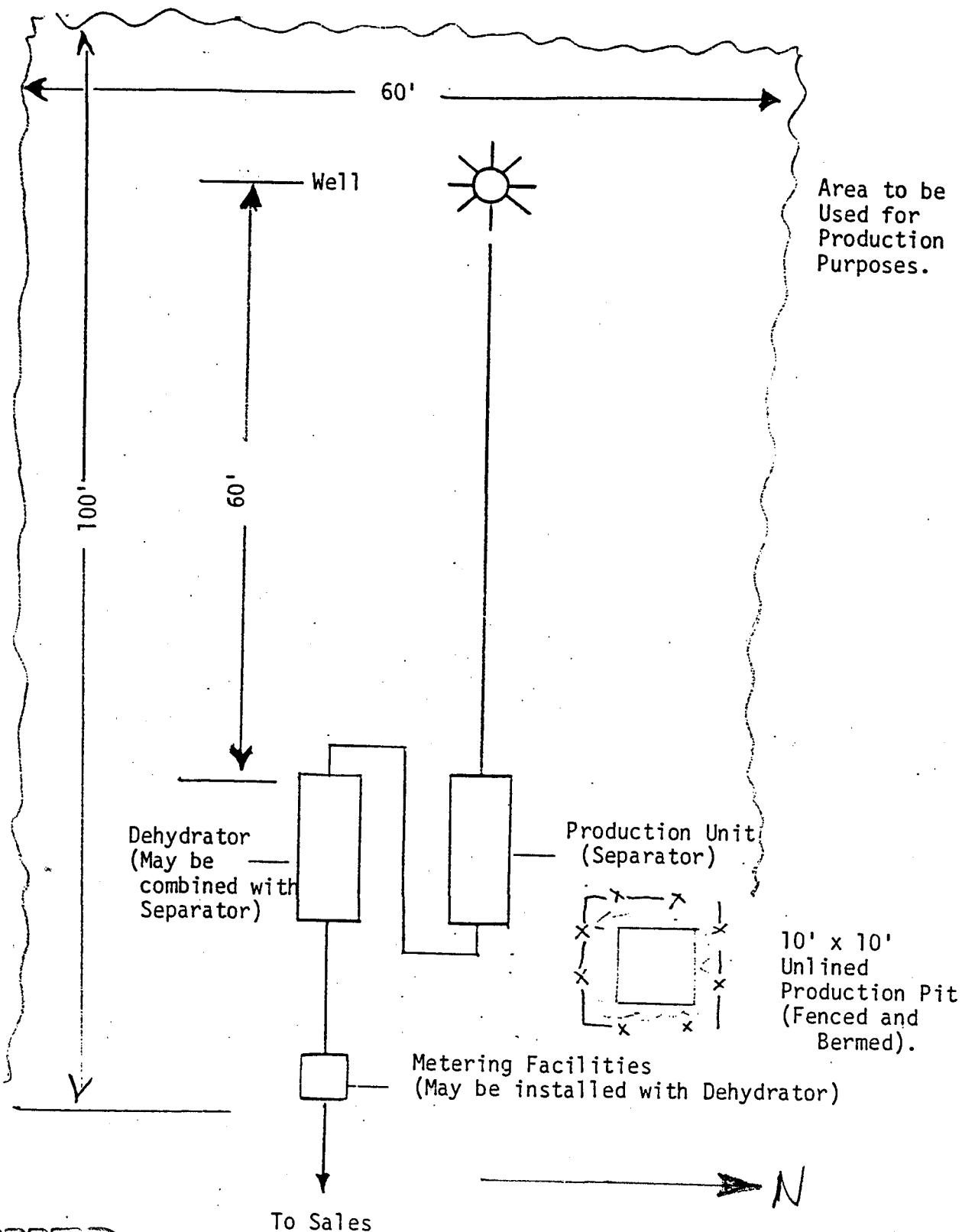
DIVISION OF  
OIL, GAS & MINING

SCALE 1" = 50' HORIZ. & VERT.

SHEET 3 OF 3

Plat No 6.

# PRODUCTION FACILITIES



**RECORDED**

NOV 02 1987

DIVISION OF  
OIL, GAS & MINING



112000

OPERATOR Beirle Corporation DATE 11-4-87

WELL NAME San Arroyo Unit #38

SEC SW NE 16 T 14S R 25E COUNTY Grand

43-019-31253  
API NUMBER

State  
TYPE OF LEASE

CHECK OFF:

☒

PLAT

*Statewide*

☒

BOND

☒

NEAREST  
WELL

☒

LEASE

☒

FIELD

☒

POTASH OR  
OIL SHALE

PROCESSING COMMENTS:

Unit Well  
Water - Colorado

APPROVAL LETTER:

SPACING:

☒

R615-2-3

San Arroyo  
UNIT

☐

R615-3-2

☐

CAUSE NO. & DATE

☐

R615-3-3

STIPULATIONS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Norman H. Bangerter, Governor  
Dee C. Hansen, Executive Director  
Dianne R. Nielson, Ph.D., Division Director

555 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

November 23, 1987

Birch Corporation  
3801 E. Florida, Suite 900  
Denver, Colorado 80210

Gentlemen:

Re: San Arroyo Unit #38 - SW NE Sec. 16, T. 16S, R. 25E  
1879' FNL, 1827' FEL - Grand County, Utah

Approval to drill the referenced well is hereby granted in accordance with Section 40-6-18, Utah Code Annotated, as ammended 1983; and predicated on Rule R615-2-3, Oil and GAS Conservation General Rules.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form to the Division within five working days of the time that the well is spudded or a change in operations or interests necessitates a change in entity status.
3. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
4. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or R. J. Firth, Associate Director, (Home) 571-6068.
5. Compliance with the requirements of Rule R615-3-22, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2  
Birch Corporation  
San Arroyo Unit #38  
November 23, 1987

6. Prior to commencement of the proposed drilling operations, plans for toilet facilities and the disposal of sanitary waste at the drill site shall be submitted to the local health department having jurisdiction. Any such drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of all local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 538-6121.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-019-31253.

Sincerely,



R. J. Firth  
Associate Director, Oil & Gas

as  
Enclosures  
cc: State Lands  
Branch of Fluid Minrals  
D. R. Nielson  
8159T

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL  
WELL ☐

GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☒

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

Birch Corporation

3. ADDRESS OF OPERATOR

3801 East Florida Suite 900 Denver, CO 80210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*)

At surface

1879' FNL, 1827' FEL

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

approximately 31.4 miles NW of Mack, Colorado

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

1786 ft

16. NO. OF ACRES IN LEASE

640

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

100 ft

19. PROPOSED DEPTH

7050'

20. ROTARY OR CABLE TOOLS

rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

7636' GR

22. APPROX. DATE WORK WILL START\*

11/1/87

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36# K-55	350'	200 sx
8-3/4" & 7-7/8"	4-1/2"	11.6# K-55	7050'	300 sx

We propose to drill a well as described in the attached program. This well is to be drilled as a twin well to the San Arroyo Unit #14.

**NOTE:** The well is to be drilled on state land. Therefore, this is for your information only.

RECEIVED  
DEC 21 1987

DIVISION OF

OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

*Gene Nodine*

TITLE

Operations Manager

DATE

11/4/87

(This space for Federal or State office use)

PERMIT NO.

/S/ GENE NODINE

APPROVAL DATE

APPROVED BY

TITLE

*[Signature]*

DATE

DEC 16 1987

CONDITIONS OF APPROVAL, IF ANY:

APPROVED FOR UNIT PURPOSES ONLY

CC: GEA 11/10/87

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPPLICATE\*  
(Other instructions on  
reverse side)

5. Lease Designation and Serial No.  
ML-4113 *Dr.*

6. If Indian, Allottee or Tribe Name

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. Type of Well

Oil Well ☐

Gas Well ☒

Other

Single Zone ☒

Multiple Zone ☐

2. Name of Operator

Birch Corporation

3. Address of Operator

3801 E. Florida, Suite 900, Denver, Colorado 80210

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*

At surface

1879' FNL, 1827' FEL

At proposed prod. zone

7. Unit Agreement Name

San Arroyo

8. Farm or Lease Name

San Arroyo Unit

9. Well No.

#38

10. Field and Pool, or Wildcat

San Arroyo

11. Sec., T., R., M., or Blk. and Survey or Area

Sec. 16, T16S, R25E

14. Distance in miles and direction from nearest town or post office\*

Approximately 31.4 miles NW of Mack, Colorado

12. County or Parrish 13. State

Grand

Utah

15. Distance from proposed\* location to nearest property or lease line, ft.

(Also to nearest drilg. line, if any)

1786 ft.

16. No. of acres in lease

640

17. No. of acres assigned to this well

320

18. Distance from proposed location\* to nearest well, drilling, completed, or applied for, on this lease, ft.

100 ft.

19. Proposed depth

7050 ft.

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

7636' GR

22. Approx. date work will start\*

November 1, 1987

23.

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12 1/4"	9 5/8"	36# K-55	350'	200 Sax
8 3/4 & 7 7/8"	4 1/2"	11.6# K-55	7050'	300 Sax

We propose to drill a well as described in the attached program. This well is to be drilled as a twin well to the San Arroyo Unit #14.

**RECEIVED**  
DEC 21 1987

DIVISION OF  
OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

Signed..... Title..... Date.....

(This space for Federal or State office use)

Permit No..... Approval Date .....

Approved by..... Title..... Date.....  
Conditions of approval, if any:



( ) Wildcat      ( x ) Development

Prospect/Field San Arroyo Lease # ML-4113  
Well Name San Arroyo Unit #38  
State Utah County Grand  
Location SW $\frac{1}{4}$  NE $\frac{1}{4}$  Sec. 16 Twp. 16S Rge. 25 E  
Footage 1879' S/N 1827' W/E  
Elevation Gr. 7636' Kb \_\_\_\_\_

SAMPLE PROGRAM -

10' samples 350 , to 7050 ,  
 \_\_\_\_\_ samples \_\_\_\_\_ , to \_\_\_\_\_

Samples to Amstrat: Yes\_\_\_\_\_No\_\_\_\_\_

Samples to other partners No

Deviation Limit  $10^\circ$  Not to exceed  $1^\circ/100'$

## LOGGING PROGRAM

IES		to	
Dual Induction	350	to	7050
BHC Acoustic		to	
BHC Density	-CNL minimum	to	7050
Laterolog 3		to	
Microlaterolog		to	
SNP		to	
Gamma Ray Neutron		to	
Dipmeter		to	
		to	
		to	

CORING PROGRAM None

DST PROGRAM None

Mud Logger Required: Yes X No       
Type 24 hr. 5050 7050

Geologist: From None to \_\_\_\_\_

## Formation Tops

Wasatch	Surface
Mesaverde	345'
Castlegate	2292'
Mancos "A"	3068'
Emery	3526'
Niobrara	3866'
Ferron	5622'
Dakota Silt.	5889'
Dakota	5942'
Cedar Mountain	6084'
Morrison	6246'
Entrada	6622'
TD	7050'

## Coowners and Participants

RECEIVED  
DEC 21 1987

## DIVISION OF OIL, GAS & MINING

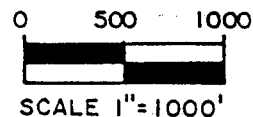
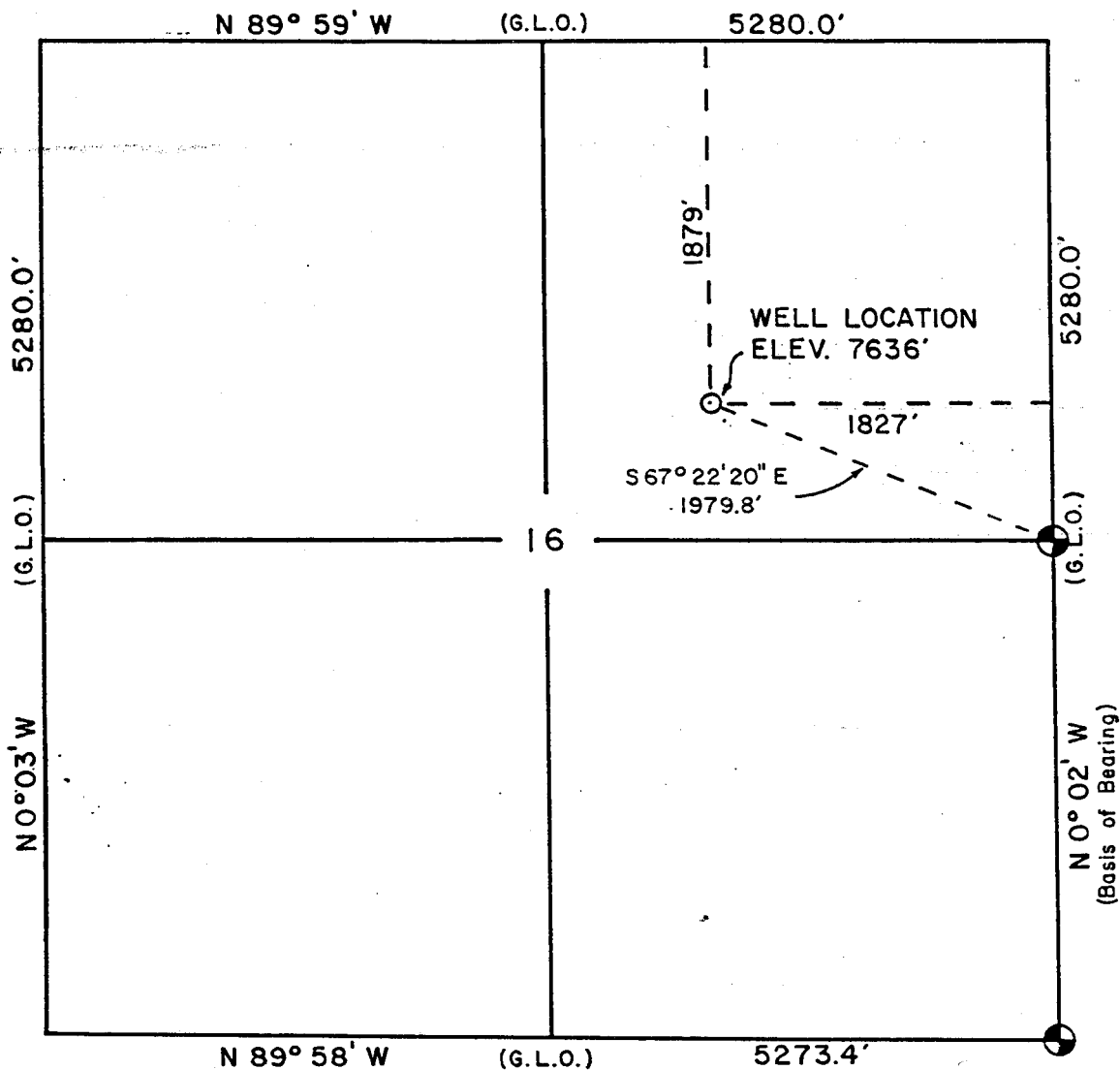
## DRILLING PROGRAM

HOLE SIZE		CASING PROGRAM			
		Size	Weight	Depth	Cement
12 1/4	to 350	9 5/8"	36# k-55	350'	200 sx reg t2% CaCl
8 3/4 &	to 7050	4 1/2"	11.6 #k-55	7050'	W/ _____ sax
7 7/8	to _____	_____	_____	_____	W/ 300 sx 65/35 sax
					RFC
					W/ _____ sax

MUD PROGRAM

Type	Depth		Characteristics			
	From	To	Wt.	Vis.	%Oil	W.L.
Water	-0-	350	8.3-8.5			
Air, air mist	350	6550				
Gel	6550	7050	8.6-8.9			8-10

APPROVED: Land \_\_\_\_\_ Production \_\_\_\_\_  
Geological \_\_\_\_\_ Management \_\_\_\_\_



U.S.G.L.O.  
BRASS CAP  
1923

### WELL LOCATION

1879 FT.S.N.L. - 1827 FT.W.E.L.  
SECTION 16, T.16 S., R.25 E., S.L.B. & M.

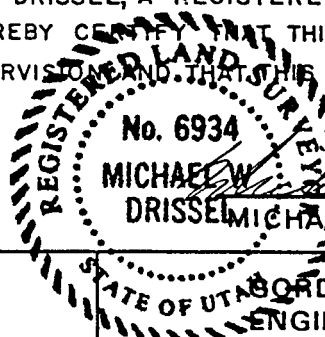
### SURVEYOR'S CERTIFICATE

I, MICHAEL W. DRISSEL, A REGISTERED LAND SURVEYOR IN THE STATE OF UTAH, DO HEREBY CERTIFY THAT THIS SURVEY WAS MADE UNDER MY DIRECT SUPERVISION AND THAT THIS PLAT REPRESENTS SAID SURVEY.

**RECEIVED**

DEC 21 1987

DIVISION OF  
OIL, GAS & MINING



MICHAEL W. DRISSEL

MICHAEL W. DRISSEL

L.S. 6934

BORDON ENGINEERING, INC.  
ENGINEERING - SURVEYING



Date 10-26-87

Drawn by SLH

Checked by MWD

Survey date 10-16-87

SAN ARROYO  
UNIT 38

Sheet 1 of 3

Job # 87028

NOTIFICATIONS

Notify the Grand Resource Area, at (801) 259-8193 for the following:

2 days prior to commencement of dirt work, construction or reclamation;

1 day prior to spudding.

Notify the Moab District Office, Branch of Fluid Minerals at (801) 259-6111 for the following:

No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly drilled dry holes, and in emergency situations, verbal approval can be obtained by calling the following individuals, in the order listed.

Dale Manchester, Petroleum Engineer      Office Phone: (801) 259-6111

Home Phone: (801) 259-6038

Lynn Jackson, Chief, Branch of Fluid Minerals

Office Phone: (801) 259-6111

Home Phone: (801) 259-7990

Paul Brown, I&E Coordinator

Office Phone: (801) 259-6111

Home Phone: (801) 259-7018

24 hours advance notice is required for all abandonments.



DRILLING LOCATION ASSESSMENT  
State of Utah  
Division of Oil, Gas & Mining

OPERATOR: Birch Corporation WELL NAME: San Arroyo Unit #38  
QTR/QTR: SW/NE SECTION: 16 TWP: 16 S RANGE: 25 E  
COUNTY: Grand FIELD: San Arroyo 1879' F N L 1827' F E L  
SFC OWNER: State of Utah LEASE #: ML-4113  
SPACING: F SECTION LINE F QTR/QTR LINE F ANOTHER WELL  
INSPECTOR: Ed Deputy DATE & TIME: Oct. 20, 1987, 11:30 AM  
PARTICIPANTS: John Gordon (consultant for Birch Corp.) & Dirt Contractors.

REGIONAL SETTING/TOPOGRAPHY: Colorado Plateau, Book Cliffs. Location will be on existing well location, San Arroyo #14. Location is on an east-west running bench with a cliff up to the north and a cliff down to the south.

LAND USE

CURRENT SURFACE USE: Cattle Grazing.

PROPOSED SURFACE DISTURBANCE: Pad will be approximately 100' X 400', reserve pit 30' X 130' X 10' deep, & blooie pit 20' X 40'. Plan to back-fill dirt for 25' around San Arroyo #14 wellhead.

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: Juniper, pine, scrub oak, sage & native grasses. Deer & small birds.

ENVIRONMENTAL PARAMETERS

GEOLOGY

SOIL TYPE AND CHARACTERISTICS: Light reddish brown, silty clays with moderate to large boulders from north cliff, moderate permeability.

SURFACE FORMATION & CHARACTERISTICS: Wasatch Fm. tan silty sandstone, greenish gray & reddish brown siltstone, moderate to low permeability.

EROSION/SEDIMENTATION/STABILITY: Not a stable location, existing slide on south edge of location has exposed approx. 10' of #14 surface casing below wellhead, possible rock fall  
SUBSURFACE GEOLOGY hazard from north cliff.

OBJECTIVE(S)/DEPTH(S): Entrada Fm. 6622' to TD @ 7050'

ABNORMAL PRESSURES - HIGH AND LOW: None Anticipated.

CULTURAL RESOURCES/ARCHAEOLOGY: Being conducted

WATER RESOURCES: Runoff from slope & cliff above location runs directly onto location,  
during wet years & soil saturation a possibility of unstable location.

RESERVE PIT

CHARACTERISTICS: Reserve & blooie pits will be on north side of location at base of cliff  
& will be approximately 30' X 130' X 10' deep & 20' X 40' X 10' deep.

LINING: None

MUD PROGRAM: Water from 0'-350' 8.3-8.5 wt., air or air mist from 350'-6550',  
gel from 6550' to TD @ 7050' 8.6-8.9 wt.

DRILLING WATER SUPPLY: West Salt Wash Creek in Colorado.

OTHER OBSERVATIONS: Unstable & hazardous location. Potential for slides & rock falls.

STIPULATIONS FOR APD APPROVAL: Drill as close as north side of location as possible,  
remove fluids from reserve pit upon completion of drilling to lessen possibility of  
soil saturation, construct berm on north side of wellhead to prevent wellhead damage  
from rock falls.

ATTACHMENTS

011302

DIVISION OF OIL, GAS AND MINING

Dr.

SPUDDING INFORMATION

API #43-019-31253

NAME OF COMPANY: BIRCH CORPORATIONWELL NAME: SAN ARROYO UNIT #38SECTION SW NE 16 TOWNSHIP 16S RANGE 25E COUNTY GrandDRILLING CONTRACTOR VecoRIG # 3SPUDDED: DATE 1-12-88TIME 11:30 PMHOW RotaryDRILLING WILL COMMENCE REPORTED BY Sandy GordonTELEPHONE # (303) 245-1958DATE 1-13-88 SIGNED JT

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. ML-4113 <u>DFI.</u>
2. NAME OF OPERATOR <u>Birch Corporation</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME <u>031003</u>
3. ADDRESS OF OPERATOR <u>3801 East Florida Suite 900 Denver CO 80210</u>		7. UNIT AGREEMENT NAME <u>San Arroyo</u>
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface <u>1879' FNL, 1827' FEL</u>		8. FARM OR LEASE NAME <u>San Arroyo</u>
14. API NUMBER <u>43-019-31253</u>		9. WELL NO. <u>Unit #38</u>
15. ELEVATIONS (Show whether DF, RT, OR, etc.) <u>7636' GL. 7646' KB.</u>		10. FIELD AND POOL, OR WILDCAT <u>San Arroyo</u>
		11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA <u>Sec 16 T16S R25E SLB&amp;M</u>
		12. COUNTY OR PARISH <u>Grand</u>
		13. STATE <u>Utah</u>

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	FULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input checked="" type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	(Other) <input type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) \*

We propose to complete the above well according to the attached procedure. The fracture treatment will be designed for an 800 foot propped fracture length. It is anticipated that operations will begin on February 16, 1988.

18. I hereby certify that the foregoing is true and correct

SIGNED [Signature] TITLE Operations Manager DATE 5/26/88

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

\*See Instructions on Reverse Side

DATE: 3-7-88  
BY: [Signature]

## COMPLETION PROCEDURE

SAN ARROYO UNIT NO. 38  
San Arroyo Field, Grand County, Utah

LOCATION: 1879' FNL, 1827' FEL, Sec. 16, T16S, R25E. Grand County, Utah.

ELEVATION: 7636' GL., 7626' KB. NOTE: All depths measured from KB which is 10.0' above ground level.

TUBULARS: 4½' OD new 11.6 lb/ft N-80 Range 3 casing set at 700.06'. Float at 6963.61'.  
Maximum Pressures: Burst: 7780 psig  
Collapse: 5960 psig  
BHT: 160 °F

### PROCEDURE:

1. Move in and rig up completion unit. Install BOP's and rig up Dyna-Jet. Run a G.R.-CBL with a collar correlation log from PBTD to cement top. Pressure test casing to 6500'.
2. Pick up 2-3/8" work string and run in hole to 6900'. Load hole with 3% KCL water containing clay stabilizer and swab down to 6000'. Pull tubing.
3. Perforate the salt wash intervals at:  
6567', 6566', 6563', 6550', 6549', 6539', 6534', 6533', 6527', 6526', 6467', 6466', and 6461' with 1 JSPF or a total of 13 holes. Use a 3-1/8" casing gun and premium charges.
4. Run tubing with a retrievable packer and swab well to test. Break down perforations using 1500 gallons of 7½ HCL containing inhibitor, clay stabilizer, iron sequestering agent, 25 ball sealers, and a non-ionic surfactant. Displace acid with nitrogen. Flow back and swab and test. Pull tubing and packer.
5. Fracture treat down tubing and casing annulus in a triple entry foaming on the surface. Install a blast joint in the well head. A fracture design will be supplied at a later date. Flow back and clean up.
6. Set either a retrievable bridge plug or a wireline set RBP at 6275'. Dump 1 sack of frac sand on top of bridge plug. Swab fluid down to 5800'.
7. Perforate the Cedar Mountain intervals at:  
6245', 6241', 6239', 6235', 6215', 6213', 6209', and 6207' with one shot each or a total of 8 holes.

8. Run tubing with a packer. Break down perforations using 750 gallons 7½% HCL containing the above additives and 20 ball sealers. Displace with nitrogen. Flow back and test.
9. Fracture treat down tubing and casing annulus in a triple entry as above. Flow back and clean up.
10. Pull tubing and set a retrievable bridge plug at 6120'. Dump 1 sack of sand on top of bridge plug. Swab fluid down to 5500'.
11. Perforate the middle and lower Dakota sands intervals at:  
6090', 6089', 6082', 6080', 6078', 6076', 6024', 6021', 6017', 6015', 6012', and 6008' with one shot each or a total of 12 holes. Use a 3-1/8" casing gun and premium charges.
12. Run tubing with a packer and break down perforations with 1000 gallons of 7½% acid containing the above additives, 25 ball sealers, and nitrogen. Flow, swab well and test.
13. Fracture treat well down tubing and casing annulus in a triple entry as above. Flow back and clean up.
14. Retrieve bridge plugs and clean out well to PBTD. Land tubing at 6000' and flow to clean up. Place into production.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____				5. LEASE DESIGNATION AND SERIAL NO.  ML-4113	
b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____				6. IF INDIAN, ALLOTTEE OR TRIBE NAME  San Arroyo	
2. NAME OF OPERATOR  Birch Corporation				7. UNIT AGREEMENT NAME  San Arroyo Unit	
3. ADDRESS OF OPERATOR  3801 E. Florida Suite 900 Denver, CO 80210				8. FARM OR LEASE NAME  San Arroyo Unit	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface  1879 FNL 1827 FEL  At top prod. interval reported below  At total depth				9. WELL NO.  #38	
14. PERMIT NO. 43-019-31253				12. COUNTY OR PARISH Grand	
DATE ISSUED 11-23-87				13. STATE Utah	
15. DATE SPUDDED 1-12-88		16. DATE T.D. REACHED 1-30-88		19. ELEV. CASINGHEAD	
17. DATE COMPL. (Ready to prod.) 2-27-88		18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 7636' OL 7648' KB		20. TOTAL DEPTH, MD & TVD 7053	
21. PLUG, BACK T.D., MD & TVD 6963.6		22. IF MULTIPLE COMPL., HOW MANY* →		23. INTERVALS DRILLED BY ROTARY TOOLS CABLE TOOLS	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*  Morrison 6567-6461				25. WAS DIRECTIONAL SURVEY MADE  no	
26. TYPE ELECTRIC AND OTHER LOGS RUN FDC/CNL, DIL, Caliper, NCT-EPT, GR-CBL, NLL 880305				27. WAS WELL CORRED  yes	
28. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9-5/8	43.5 N-80	366 KB	12 1/4	200 sx reg. +2% CaCl <sub>2</sub>	
4 1/2	11.6 N-80	7001 KB	7-7/8	310 sx 10-0 RFC	
29. LINER RECORD					
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	
30. TUBING RECORD					
SIZE	DEPTH SET (MD)	PACKER SET (MD)			
2-3/8	6020				
31. PERFORATION RECORD (Interval, size and number)  6567-6461 13 holes			32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.		
DEPTH INTERVAL (MD)			AMOUNT AND KIND OF MATERIAL USED		
6567-6461			see attachment		
33. PRODUCTION					
DATE FIRST PRODUCTION 3-14-88		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) flowing			WELL STATUS (Producing or shut-in) shut in
DATE OF TEST 3-14-88	HOURS TESTED 5 min.	CHOKE SIZE 12/64	PROD'N FOR TEST PERIOD →	OIL—BSL. 0	GAS—MCF. 77 mcf/d
FLOW. TUBING PRESS. 85	CASING PRESSURE 560 psig	CALCULATED 24-HOUR RATE →	OIL—BSL. 0	GAS—MCF. 77	WATER—BSL. 10
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) vented					TEST WITNESSED BY TJ Price
35. LIST OF ATTACHMENTS attachment enclosed					
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records					
SIGNED <i>Tom Price</i>		TITLE Operations Manager		DATE 4/4/88	

\* (See Instructions and Spaces for Additional Data on Reverse Side)

# INSTRUCTIONS

**General:** This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions. All attachments should be filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

**Item 4:** If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

**Item 16:** Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. **Items 22 and 24:** If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

**Item 29:** "Sacks Cement". Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

**Item 33:** Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES: SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES			38. GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
Mesaverde	1150	1206	Wasatch	Surface	90
	1206	1260	Mesaverde	1001	2028
	1522	1537	Mancos	2038	2329
			Casltigate	2339	5894
			Dakota Silt	5904	5962
			Dakota	5972	6249
	1548	1578	Morrison	6259	6754
	1252	1298			
	2012	2034	Entrada	6764	



San Arroyo Unit #38  
Sec. 16 T16S-R25E  
Grand County, Utah  
-----

- 1-4-88 - Constructing location
- 1-5-88 - No report.
- 1-6-88 - No report.
- 1-7-88 - No report.
- 1-8-88 - Location constructed and pipeline reburied. Burn pit keeps sloughing full.
- 1-9-88 - No report.
- 1-10-88 - Move rig towards location. Cliff broke off and slumped into burn pit. Move slide and will leave burn pit full until rigged up. Should finish moving slide about noon.
- 1-11-88 - Moving rig in.
- 1-12-88 - Move in rotary tools and rig up. Plowing snow & pulling trucks. Roads drifted and wind blowing yesterday pm. Should spud late this pm or early tomorrow.

DC: \$300  
CC: \$600

1-13-88 - RU, pick up kelly. RU & drill rat hole. RU and spud, 12 1/4" hole, 11:30 pm 1/12/88. 1/12/88. Drill 12 1/4" to 101', survey. Drill to 131, got wet, RU mist pump to air mist. 131 ft drilled past 24 hrs. Formation: shale/sand. WOB: all. Hook Load: 30,000. RPM 90-100. Pump size: 6 x 15. #2 pump size: 6 x 12. Circ air pressure 110. Bit #1, AT 271, 12 1/4" retrip. Jet size: open. Footage & hrs: 131 5 1/2. Hours: drilling - 5 1/2. Survey - 1/4. Other: RU - 11. Drill & set rat hole - 4. RU to spud - 1/2. RU to mist drill - 3/4. Deviation: 1/4 degree @ 101'. DC & DP: 12 1/4" bit - bell sub, 4-6 x 4 1/2 xo dc. Costs: Rig 220. Supervision 300. Rental tools 70. Water 1300. Trucking 350.

DC: \$2240  
CC: \$2840

San Arroyo Unit #38  
Sec. 16 T16S-R25E  
Grand County, Utah

---

1-14-88 - Work on mist pump. Drill 12 1/4" w/ 5 gal bucket mist pump. Hook up new mist pump, finish 12 1/4 hole, blow hole, survey, POOH. RU & ran 9 jts 43.5# N-80 LT & C and shoe = 356 ft. Landing jt 15'. Total overall length 371'. Land at 366' KB. Pump 60 bbls gel water ahead. No returns. Start cement - 200 sx regular 2\$ CaCl. Depth: 370'. WOB 25,000. Hook load 42,000. Drilled 239 ft past 24 hrs. Formation: shale and sand Wasatch. Air press 120. Bit #1 AT 271 12 1/4 Retip. Open. In 0. Out 370. Footage & hrs: 370 11 hrs. Hours: drilling - 5 1/2. Survey 1/4. Trip 1/2. Repair 2 1/2. Blow hole 1/2. Run 9 5/8" 1 3/4. Cement 1 1/4. WOC 8. NU 3 3/4. Deviation: 1 degree @ 370'.

DC: \$14,079  
CC: \$16,919

1-15-88 - Nipple up and pressure test. Choke manifold, BOP's, & choke manifold. Held 1000# ok. Drill mousehole, run in hole, drill cement and shoe. Blow hole and dry up. Drill 8 1/2" hole to 1150'. Blow hole and pull out. Day work at 10:30 pm 1/14/88. Strap pipe and measurement ok. Unload core barrel, rug up mist pump and pick up core barrel and change out bearing assembly. Dropped nut from drill collar safety clamp down hole while taking clamp off. Wait on Magnet. 780 ft. past 24 hrs. Formation: Mesa Verde. Depth 1150'. WOB 20-25,000. Hook load 52,000. RPM 65-70. Bit #2 BB-8046 8 1/2" F-2 Open. In 370. Out 1150. Footage & hrs 780 in 7 hrs. Air pressure 110. Hours: drilling 7. Survey 1/4. Trip 1 3/4. Nipple up 3. Pressure test 1/4. Drill mouse hole 3 3/4. Drill shoe 1 1/2. Blow hole 3/4. Unload tools & rack up new mist pump 1 1/2. Make up core barrel 2 1/4. Wait on Magnet 2 hrs. DC & DP: 8 1/2" bit, 14 - 6" x 4 1/2" HDC, 4 1/2" dp.

DC: \$24,330  
CC: 41,249

San Arroyo Unit #38  
 Sec. 16 T16S-R25E  
 Grand County, Utah

---

1-16-88 - Present operation: reaming. 3 days since spud. 115 feet past 24 hrs. Mesa Verde formation. Depth: 1265'. WOB 10,000. RPM 50-54. Circ press 400-420. Bit #4 CBHF. 6 1/8" corehead. In 1158. Out 1265. 10 hrs. Bit #5 BB8046. 8 1/2" RR. In 1150. Presently running. Hours: core - 10. Trip - 10. Other - 3/4 ream. 1 1/2 laydown core. 1/2 wait on magnet. 1/4 fish. 1/4 circulate. 3/4 makeup core barrel. Drilling fluid: air mist. DC & DP Size: 6 1/8" corehead, 5 3/4 - 3 1/2" core barrel. 8 - 4 3/4 D.O. 4 1/2" drill pipe. Costs: rig 5,600. Mud 113. Supervision 300. Mud logging 275. Rental tools 700. Water 157. Drilling to 1150' & cut core. Core #1 cut 1150-1260. Cut 60'. Recovered 60'. Sand & shale, no coal. Core #2 1210-1265. Cut 55'. Recovered 55'. Sand and shale, no coal. Stand back core barrel. Run in hole to ream out hole to 8 1/2".

DC: \$10,060  
 CC: \$51,309

1-17-88 - Core description:

Core #1:

1160-66.5SS - lt gy. off wht. S & P tg wstd, clr-gy-blk-gn-gs  
 66.5 - 1" coal  
 1166.9-78 - SH - gy, blk, vsly, calc, smth tex.  
 1179.2-81 - SS - gy, btg, slty, arg, mpstd, subrnol, frm  
 1181-86 - SH - vdkgy, gy, sndy, lams, frm  
 1186-88 - SLTST - dkgy, varg, carb, carblams & inclus  
 1188-90 - SLTST - intrbd w/ ss  
 1190-1206 - SS - Hgy, fg, mw std, subrnd, frf

Core #2:

1206-6.25 SS - ltgy, gy, vf-fg. m stol, subrnd, SH lams  
 1206.25-16 SH vsly ip  
 1216-18 SLTST grdng to SS  
 1218-1232 SS Hgy, S & P, fg, fri, wstd, subrnd  
 1232-33 - Cong - gy, vf-vcrsg, pstd, frm  
 1233-34 - SLTST grdng to SS  
 1234-41.5 - SS w/ sh lams  
 1241.5-46 - SLTST - bcmrg more ang @ 45  
 1246-51 - SS - gy, Hgy, fg, S & P, carb & ang lams, frm  
 1251-55 - SH vdkgry, smth, fiss, carb  
 1255-56 - SS gy, fg, fri  
 1256-60 - SLTST grdny to SS drk-mgy, ang, frm, blk

San Arroyo Unit #38  
 Sec. 16 T16S-R25E  
 Grand County, Utah

-----  
 (Core Description continued...)

Core #3:

1522-32 - SS gy, vfg, subrnd, frm, tite, cal, lam w/ SH.  
 1532-33 - coal - blk, shny-brt, brit, conch frac, & blk, dull,  
 arg, frm-brit  
 1533-33.5 - SH  
 1533.5-35 - Coal  
 1585-36 - SH - vdkgy, blk, carb, fiss  
 1536-37 - Thinly intrbd, SS & SH  
 Barrel jammed.

Core #4:

1548-49 SH & SS thinly lam  
 1549-51 - coal  
 1551-54.5 - SH - blk, v carb, fiss, frm, occ SS lams  
 1554.5-56 coal  
 1556-63 - SS & SH thinly lam  
     sh vdkgy, blk, frm, carb  
     ss gy, dkggy, arg, vfg, frm, tite  
 1563-65 - SH - vdgy, blk, smth tex, fiss, frm  
 1565-66 - coal - dk bn, ang, frm  
 1566-68 - SS gy, ufg, frm, tite, subrnd, wstd  
 1568-72 - SH blk, smth tex, carb, fiss  
 1572-78 - SS & SH interbedded  
     ss gy, bngy, ufg, m-potd, arg, frm intrbd w/ sh &  
     broturbated?  
     sh bdkgy, sndy, slty, interbd w/ ss

Present operation: ream. 4 days since spud. Made 314 ft last  
 24 hrs. Mesa Verde formation. 1579'. 8-10,000. 50-54 RPM. #1  
 pump size 6 x 15. #2 pump size 6 x 12. Circ press 300-425.  
 Air mist. Bit #5 BB8046. 8 1/2 F-2. Open. In 1150. Out  
 1522. 372' 7 am. Bit #6 81452 6 1/8" CBHF. Corehead. Hours:  
 drlg - 7. Trip - 8. Repair - 3/4. CO - ream 1, Other - coring  
 6 1/4, laydown core 1. DC & DP - same as yesterday. Costs: rig  
 5600, mud 400, supervision 300, logging 475, rental tools 70,  
 water 805. Ream out 6 1/8" hole from 1150-1265' and drill 8  
 1/2" hole to 1522'. Pull out and PU core barrel. RIH and core  
 #3 from 1522-1548'. Barrel jammed and trip out and lay down  
 core. Cut 26 ft and recovered 17 ft of sd, sh, and above 2 ft  
 of coal. RIH and core #4 from 1548-1579'. Trip out and lay  
 down core #4 from 1548-1579'. Trip out and lay down. Cut

San Arroyo Unit #38  
 Sec. 16 T16S-R25E  
 Grand County, Utah

---

31 ft and recovered 30 ft of sd, sh, and about 6' of good to poorly developed coal. Run in hole with bit and ream out hole.

DC: \$15,042  
 CC: \$66,351

1-18-88 - 5 days since spud. 433 ft made past 24 hrs. Mesa Verde formation. Depth: 2012'. WOB 6-8000. 55-60 RPM. Circ press 100-150. Bit #7 31452 6 1/8" CBHF. Bit #8 BB8046 8 1/2" F2. In 1579. Out 1952. Footage: 373. Hours: Drlg - 9 3/4. Surv - 1/2. Trip 8 1/2. Repair 1 1/4. Rig ser 1/2. Ream - 1. Coring 2 1/2. Deviation: 1 3/4 degrees at 1583'. DC & DP same. Costs: rig 5600, mud 400, supervision 300, mud logging 375, rental tools 70. Testing 8400. Ream out hole from 1522' to 1579' w/ 8 1/2" bit. drill ahead to 1952'. TOOH PU core barrel. TIH, core #5 from 1952-2012'. POOH, lay down core.

DC: \$16,979  
 CC: \$83,330

1-19-88 - Core Report:

Core #6 -

2012-28 - SH - dkgy, slty, frm, infrbd, lam w/ ss

SS - Mgy, gy, ufg, subang, mstd, frm, m cly mtrx

2028-30 - SS - gy, dkgy, vtg, slty, arg, mpstd, subang, frm

2030-32 - SS - ltbn, ltgy, utg, subrnd, mpstd, varg. v calc, calc frac fill gndng to SH @ 33

2033-34 - SH - dkgy, slty, intrbd w/ ss

Note: Recovered 7' of core #5 w/ core #6. The recovered core consisted of:

SS - ltgy, btg, subang, mstd, frm, mod cly mtrx, occ sh lams

1952-83.5 - SS - ltgy, f-vtg, subrnd-subang, mod-w std s/ cly mtrx, slcalc

53.5 - 2" SH - dk, vdkgy, carb, smth tex, fiss

54.8 - 1" SH

55.5 - 1" SH

64.8-65.2 - thinly lam SH

68 - thinly lam SH

1983.5-85 - SH vdgy, smth tex, fiss, ss lams, curb

1985-90.2 - SS - lt gy, vtg, rnd, wstd, frm, fri, sl cl mtrx, sl calc, pred clrgs w/ blk & gn gs.

1990.2-90.8 - SH - dk gy, smth tex, carb, frm

1990.8-98 - SS - AA

Cored 60' - recovered 46'.

San Arroyo Unit #38  
 Sec. 16 T16S-R25E  
 Grand County, Utah

-----  
 6 days since spud. 48' made past 24 hrs. Mesa Verde formation. Present operation: blow hole. Depth 2060'. WOB 8-10,000. RPM 50 x 54. #1 pump size 6 x 15. Stks/min: stdby. #2 pump size 6 x 12. Stks/min: stdnby. Cir press 25-525. Bit #6, 31452, 6 1/8" CBHF. Corehead. Bit #7 33852 8 1/2" J-33. Open. In 2038. Hours: Drilling - 1 1/4. Trip 5 1/4. Repair - 1. CO - Ream 2 1/2. Other: Coring - 3 3/4, Blow hole 6 3/4, Lay down core - 1 3/4, Lay down dc 1, break out 3/4. DC & DP size: 8 1/2" bit, 14 6 1/4" DC, 4 1/2" DP. Costs: rig 5600, mud 400, supervision 300, mud logging 375, rental tools 70, trucking 750, core 1045, cumulative mud 1313. Lay down core #5. Run in hole with core barrel and cut core #6 from 2012-2038'. Trip out and lay down core #6. Cut 26' and rec 33 ft. Rec 7' of previous core. 2' SS, 24' shale. Break out coring tools and lay down. Run in hole w/ 8 1/2" bit. Trying to dry up hole. Snow blowing hard. Plowed drifts all night.

DC: \$8540  
 CC: \$91,870

1-20-88 - Present operation: Drilling. 7 days since spud. 853 ft made last 24 hrs. Formation: Mancos. Depth 2913'. WOB 24000. Hook load 78000. RPM 80. Circ press 175. Bit #7 BB852 8 1/2" J33. Jet size: open. Footage & hrs: 875 18 3/4. Hours: drilling - 17 1/2. Survey - 1. Other: Blowhole 3 3/4. Chg to mist drlg 1 3/4. Deviation: 2 degrees @ 2168'. 1 1/2 degree at 2664 ft. Drilling fluid: air mist. DC & DP: 8 1/2" bit + 14 - 6 1/4" dc & 4 1/2" dp. Costs: rig 8181. Mud 510. Bits 600. Supervision 300. Mud logging 275. Rental tools 70. Geology: Castle Gate top 2422'. Mancos shale dk gray, silty, sandy, firm, blocky. Trace of pyrite. Background gas 1-2 units, connection gas - 5 units, no shows. Remarks: blow hole & try to dry up - unsuccessful. Change to mist drilling and drill ahead. Rig on footage 11:30 am. Depth 2063'. Return to daywork @ 2400'. 7:05 pm. Occasional tight connection. Weather: clear & nice.

DC: \$9936  
 CC: \$101,806

San Arroyo Unit #38  
Sec. 16 T16S-R25E  
Grand County, Utah

---

1-21-88 - Present operation: drilling. 8 day since spud. 961 ft made past 24 hrs. Mancos formation. Depth 3874'. WOB 18-20. Hook load 89000. RPM 72-75. #1 pump size 6 x 15. Stks/Min: on standby. #2 pump size: 6 x 12. Stks/min: on standby. Circ press 175 psi. Air mist. Bit #7 B852 8 1/2 J-33. Jet size: open. Footage & hrs: 1836 41 1/4. Hours: Drlg - 22 1/2. Surv. - 1/2. Deviation: 2 degrees at 3129'. DC & DP: 8 1/2" bit 14 - 6 1/4" DC 54 - 4 1/2" Drill pipe. Costs: Rig - 5600. Mud 130. Mud logging 275. Rental tools 70. Water 1688. Dirt contractor 3390. Back ground gas, 5 units. Installed a string float at 3191'. Cut connection time by 6 - 7 min. Reduced the load time, after connection to 8-10 min. Reduced the wt on bit from 20-24,000 down to 18-20,000. Penetration was too fast and was loading the hole w/ too many cuttings. Hole is much cleaner and connections are better. Bearing on rotating head locked up. Removed the driving blocks from kelly bushing. Now drlg ahead. Air mist drilling.

DC: \$11,453  
CC: \$113,259

1-22-88 - Drilling. 9 days since spud. 556 ft made past 24 hrs. Mancos formation. Depth: 4430'. WOB 16,000. Hook Load: 98,000. RPM 60-65. #1 pump size 6 x 12. Stks/min: stnd by. #2 pump size: 5 3/4 x 12. Stks/min: stnd by. Circ press 175. Bit #7. BB 852. 8 1/2" J-33. Jet size: open. In 2038. Out 4057. Footage & hrs 2019 45 1/2. Bit #7 BB 852 8 1/2 J-33. Jet size: open. In 2038. Out 4057. Footage & hrs: 473 8 1/2. Hours: drlg - 12. Surv 1 1/2. Trip - 11. Repair - 1/2. Deviation: 2 1/2 degrees @ 4335'. Air mist. Costs: rig 6000. Mud 4026. Bits 1950. Supervision 300. Mud logging 275. Rental tools 70. Water 3000. Air comp 240.

DC: \$7343  
CC: \$127,854

San Arroyo Unit #38  
Sec. 16 T16S-R25E  
Grand County, Utah

-----  
1-23-88 - Prep to change to mud. 10 days since spud. 1356 ft. made past 24 hours. Mancos formation. Depth: 5786'. 16-18,000 WOB. Load 120,000. RPM 68-70. #1 pump size: 6 x 12. #2 pump size: 5 3/4 x 12. Circ press 180. Bit #8 34875 7 7/8" 1/527. Jet size: open. In 4057. Footage & hrs 1729 in 31 hrs. Hours: drilling - 22 1/4. Circ 3/4. Trip - 1. Drilling fluid: 8.7#. Visc. 80. DC & DP: 7 7/8" bit. 14- 6 1/4" dc. 172 4 1/2" dp. Costs: rig 6000, mud 1982, supervision 300, Mud logging 275. Rental tools 70. Water 2326. Drilling from 4430-5786' for 1356 feet. Lost returns at 5775'. PU Kelly and circ air mist to 400 psi to break circulation. Worked three tight spots & increase soap to air mist. Circ & TOOH to remove string float @ 4364'. Prepare to change over to mud drilling.

DC: \$10,953

CC: \$142,233

1-24-88 - Drilling. 11 days since spud. 140 ft made past 24 hrs. Dakota formation. 5926 ft. 28-30 WOB. 104,000 Hook Load. 60 RPM. #1 pump size 6 x 12. Stks/min 64. #2 pump size 5 3/4 x 12. Stks/min stdby. Circ press 750. Output 319. Velocity DC 300. DP 185. Bit #8 34875 7 7/8" V-527. Jet size: open. In 4057. Footage & hrs 1869 52 hrs. Hours: Drilling 21. Trip 1. Break cir & build mud vol 2. Drlg fluid 9.0# 40 vis 7.2 WL, PV 12, YP 6, Gels 1/7. pH 10, FC 2/32. Sand trace. Cl 800. Solids 3%. LCM 0. CA 40. Alk 0.4. DC & DP 7 7/8" bit, 14-16 1/4" DC. DC 4 1/2" DP. Costs: Rig 4200, supervision 300, mud logging 275, rental tools 70. Heating 708. Fill hole with mud, circulate at 4364'. Trip in to 5786'. Drill ahead at 11:05 am. Build mud volume while drilling. Had to build 300 bbls of volume.

DC: \$5553

CC: \$147,786

1-25-88 - Drilling. 12 days since spud. 172 ft made past 24 hrs. Dakota formation. 6098 ft. 30,000 WOB. 106,000 Hook Load. 70 RPM. Pump size 6 x 12. Stks/min 64. #2 pump size 5 3/4 x 12. Stks/min stdby. Circ press 750. Output 319 GPM. Vel DC 300, DP 185. Bit #8 34875 7 7/8" V-527 Jet size open. In 4057. Footage & hrs 2041 74 1/2 hrs. Hours: drlg - 22 1/2. Surv 1. Rig serv 1/2. Deviation: 9 3/4 degrees @ 5952'. Drilling fluid: 9.0# Vis 37. WL 7.2. PV 12. YP 3, Gels 1/5, pH 10. FC 2/32. Sand - trace. Cl 800, Solids 3 1/2%. CA 40. Alk 0.4. DC & DP 7 7/8" bit, 14 - 6 1/4" DC 4 1/2" DP. Costs: rfig 4200, mud 1845, supervision 300, mud logging 275,



San Arroyo Unit #38  
 Sec. 16 T16S-R25E  
 Grand County, Utah

-----  
 rental tools 70, water 2787. Drilling at 8 - 10 min/ft. Ran survey at 5952 and deviation off 6 degree chart. Rerun using a 12 degree chart. Drilling break from 6008-6036'. Avg 13' per hr and 6077-6097'. Dakota silt 5934'. BGG 10-20 units. Show @ 5990'. Dakota sand 5990'. 30 units - 80 units - 30 units. SD - 1t gry, FG, angular, well sorted & firm.

DC: \$9477  
 CC: \$159,341

1-26-88 - 13 days since spud. 122 ft made past 24 hrs. Circ press 1050. Output 310. Ann Vel DC 300. DP 180. Bit #8 34875 7 7/8" V527. Open. In 4057. Out 6106. Footage & hrs 2049 76 1/2. Bit #9 34011 7 7/8" V537 14/14/14. In 6106. Footage & hrs 114 12. Hours: drlg - 13. Surv 3/4. Trip 8. Repair 1/2. Circ - 1/2. Fill & ream 1 1/4. Deviation: 10 degrees at 6105'. Drlg fluid: 9.0#. Visc 42. WL 8. PV 17. YP 10. Gels 2/7. pH 9. FC 2/32. Sand tr. CL 800. Solids 3 1/2%. LCM 0. CA 40. Alk .2. DC & DP No. 7 7/8" bit 20-6 1/4" dc + 180 4 1/2" dp. Costs: rig 4200. Mud 815. Bits 1950. Supervision 300. Mud logging 275. Rental tools 70. Water 1163. Drilling 1 hr, circ & POOH. 1/d 6 dp = P/U 6 dc. TIH to 6066'. Fill & ream to 6106'. Drilling break 6212-6224'. (4 min to ft). Airhead locked up & won't rotate. Drilling fluid overflowing - easing 7 to 10 bbls per hour. Top of Cedar Mtn 6104'. Background gas 10-20 units. Trip gas 40 units. No shows. Sampler - ss, brown, gray, clear, vary fine to fine. Poorly sorted, sub round angular, firm, hard. Shales are green, black, and gray. Subfissile, firm. Limestones - brown, green and white, crypto to amorphous - hard to soft. Slightly to non-argillaceous.

DC: \$8,773  
 CC: \$168,114

1-27-88 - 14 days since spud. 200 ft made past 24 hrs. Morrison formation. Depth: 6420'. WOB 40,000. Hook load 122,000. RPM 60. Circ press 1050. Output 310. Ann Vel DC 300, DP 180. Bit #9, 34011, 7 7/8" V537 14/14/14. In 6106'. Footage & hrs: 314 33 3/4. Hours: drlg - 21 3/4. Surv 3/4. Change flow line - 1/2. Deviaiton 7 3/4 degrees at 6291'. Drlg fluid: 9.1#. Visc 40. WL 6.4. PV 18. YP 9. Gels 2/5. pH 9.5. FC 2/32. Sand 1/2%. CL 700. Solids 5.5%. LCM 0. CA tr. Alk 41.9. DC & DP 7 7/8 + 20 6 1/4 dc. 186 4 1/2 dp. Costs: rig 4200. Mud 521. Supervision 300. Mud logging 275. Rental tools 70. Water 1542. Drilling steady 5-6 mpf. Drilling break from 6234-6251'. Top of Morrison 6251'. Chg

San Arroyo Unit #38  
Sec. 16 T16S-R25E  
Grand County, Utah

-----  
flow line to mud tanks to stop overflow @ airhead. Worked on mud pump for 1 hr. Geology - Morrison top 6258'. 15 units bkgrd gas 20 units, show at 6236-6252'. 15 units up to 60, down to 12 units. Sandstone white, very fine to fine. Subangular to rounded, moderately sorted, firm to friable, slightly to non-calcareous. Trace of yellow fluorescence - no cut. Morrison shale red, maroon, black, grey, silty and firm.

DC: \$6908  
CC: \$175,022

1-28-88 - Present operations: drilling. 15 day since spud. 200 ft made past 24 hrs. Morrison formation. 6620'. WOB 40,000, Hook Load 124,000, RPM 60. #1 Pump size 60 x 12. Stks/min 62. #2 pump size 5 3/8 x 12. Stks/min: standby. Circ press 1050. Output 310. Ann Vel DC 300'/m. DP 180'/m. Bit #9 34011 7 7/8" V537 Jet size 14-14-14. In 6106. Footage & hrs 514' 56 3/4 hrs. Hours: drlg 23. Surv 3/4. Rig Serv 1/4. Deviation: 6 degrees at 6537'. Drlg fluid 9.3. visc 37. WL 7.2. PV 13. YP 4. Gels 1/6. pH 9. FC 2 3/32. Sand 1/4. CL 800. Solids 4 1/2. LCM 0. Alk .4. DC & DP No, size, conn. 7 7/8" bit, 20 - 6 1/4 DC. 193-4 1/2" DP. Costs: rig 4200. Mud 1175, supervision 300, mud logging 275. Rental tools 70. Water 1029. Drill ahead in Morrison with no problems. 4 drlg breaks. 1 survey at 6537 6 degrees. Avg penetration rate/24 hrs. 8.7'/. 3 truckloads of casing on way - 6990'.

#### Geologic Report

SS wh/gry, cir grains, fine grained, well sorted, sub round firm to friable.

Shales Blk & light grn, white, red, maroon, firm fissile, shiny.

Background gas units - 20.

Drilling breaks with gas shows. 6464-6472. Drilling rate f/min 2 m/ft. Back to 10m/ft. Gas units 20 units - 90 units during. Back to 1020 units.

Drill break 6530-6544. Drilling rate 9m/ft. 4 m/ft, 7m/ft  
Gas units 15 - 70 - 18.

Drill break 6560 - 6562 Drilling rate 7m/ft - 4m/ft - 8m/ft.  
Gas units 18 - 120 - 20.

Drill break 6572 - 6576. Rate: 5m/ft - 4m/ft - 8m/ft.  
Unit 30 - 50 - 20

San Arroyo Unit #38  
-----

DC: \$7,049  
CC: \$182,071

1-29-88 - 208 ft made past 24 hrs. Entrada formation. 6828'. Hook load 128,000. RPM 60. Circ press 1050. Output 310 GPM. Ann Vel DC 300. DP 180. Bit #9 - Footage & hrs 722 80 1/4. Hours: drlg 23 1/2. Rig serv 1/2. Drlg fluid 9.4. Visc 37. WL 8. PV 12. YP 6. Gels 1/5. pH 10. FC 2/32. Sand 1/2. Cl 800, Solids 5, CA 20, Alk .5. DC & DP No: 7 7/8" bit, 20 - 6 1/4" DC 199 - 4 1/2 DP. Costs: rig 4200, mud 802, supervision 300, mud logging 275, rental tools 70, water 671, Dirt work 610. Mud sacks 111. Drlg ahead in Morrison until 6:30 am today. Avg pent rate 8.85/hr. Drlg break 6788' - 6829 at 8:00 am. And still in it (Entrada). Feel its Entrada but no samples at this time to verify that. Roads very muddy from 10 am to 6 pm. Hauling all water at night while roads are frozen.

DC: \$7039  
CC: \$189,110

1-30-88 - 225 ft made past 24 hrs. Entrada form. 7053' depth. Circ press 950. Output 310. GPM Ann Vel DC 300. DP 180. Bit #9. Hours: drlg 13. Trip 3 3/4. Rig Serv 1/4. Mixed LCM = 1 hr. Circ for logs 6 hrs. Drlg fluid: 9.4# 50 visc. WL 2.2. YP 16. Gels 4/19. pH 11, FC 2/32. Sand 1/4. Cl 800, Solids 5. LCM 2%, Ca 20. DC & DP No. 7 7/8" bit, 20 - 6 1/4" DC. 207 4 1/2 DP. Costs: rig 4200. Mud 2430. Supervision 300. Mud logging 275. Rental tools 70. Water 671. Drlg in Entrada at 1 1/2 min/ft. At 6865, lost 200 bbls of fluid. Stopped drlg & mixed LCM pill. Cont drlg ahead while pumping LCM pill at 40 strokes/min. Pressure built up & we got returns. Had good returns at 6883'. Cont drlg w/ no further fluid loss. Notified at 10 pm that TD had been reached at 7053'. Circ & made short trip. Circ again waiting on Schlumberger. TOH at 5:00 am for logs.

DC: \$7946  
CC: \$197,056

1-31-88 - Deviation: 2 degrees at 7053'. RU loggers. TIH w/ logging tools to 668'. Tools would not go. TOH & rig down loggers. TIH w/ drill string to TD. Did not feel blockage. Mixed 49 sacks gel - LCM to stop fluid loss. Brought visc up to 100+ to clean hole. TOH & R U logging at 12:30 am. Probe still won't go. RD loggers @ 3:45 am. TIH w/ 615' DC & 1 std DP & spud on blockage w/out circulation. Followed by 5 more stds of DP & TOH.

## San Arroyo Unit #38

-----  
 DC: \$7279  
 CC: \$204,335

2-1-88 - Hours: Logging 12 1/2. Circ 1 1/4. Trip 10 1/4.  
 Logging. Run #1 to 7036'. FDC/CNL. Gamma Ray & Caliper. Run  
 #2 7036'. DIL - 2nd & Gamma Ray. Run #3 7036'. NGT - EPT  
 Caliper. TIH w/ drill pipe & circ. TOOH, lay down dc & dp.  
 Prepare to run long string.

DC: \$17,576  
 CC: \$221,911

2-2-88 - Present operation: rig down. Depth: 7053'. Costs:  
 Rig 4200. Supervision 300. Casing Crew 2800. Trucking 530.  
 Cementing 6429. Finished laying down DC at 10:15 am. Rig up  
 casing crew. Run 171 jts casing (see attached). Cemented with  
 310 sacks cement (see attached). Set casing in slips and  
 released rig at midnight 2-1-88.

## Attachment

Casing Program

Run 171 joints of 4 1/2", 11.6# N80 csg with guide shoe & float  
 gather, 12 centralizers, 30 scratcher with champs. Total length  
 of long string is 7006.56 feet less 5.5 feet of casing above rig  
 rotary table for 7001.06 feet.

Guide shoe:	1.54
Guide Jt.:	41.41
Float Collar:	1.09
169 jts:	6,949.57
Landing Jt:	12.95

-----  
 7,006.56

Feet above table 5.50

-----  
 7,001.06 length of long string from rotary  
 table.

## Position of centralizers and scratchers:

Centralizers on jts: 1,3,6,9,12,15,18,21,24,27,30,33  
 Scratchers on jts: 6,7,11,15,18,19,21,23,25,26

San Arroyo Unit #38

---

Cementing Program

Circulated mud and worked pipe 1/2 hr while rigging up cementers. Worked pipe throughout cementing operations with 100% returns. Cemented with 310 sacks of 10-0 RFC cement. Bumped plug with 500 lbs over 1000 lbs circulating pressure for a total of 1500 lbs bumped plug pressure. Plug held when checked. Left top valve open. Set casing in slips with 5000 lbs over 72000 string weight. Completed cementing operation at 5:18 pm Feb 1, 1988. Nipple down and set casing slips, wash mud tanks and etc. Released rig as of midnight 2-1-88.

## Cementing supplies:

310 sacks 10-0 RFC Cement  
1% D74 retarder  
1/4 lb Cellophane per sack of cement

DC: \$14,259  
CC: \$236,170

No report until 2-12-88

2-12-88 - Prepare to move rig to location for completion.  
2-13-88 - Waiting on completion unit.  
2-14-88 - Waiting on completion unit.  
2-15-88 - Shut-in - Waiting on completion unit.  
2-16-88 - Move in rig and RU. Install BOP equip. SDFN.

DC: \$408  
CC: \$408

2-17-88 - Present operations: PU tbg. Rig up Dyna-Jet. Run GR-CBL and CCL from 6892 to top of cement at 5380'. Cement was good. RU Dowell & tst csg to 6500 psi for 15 min. Tst was good. TIH picking up 2 3/8" tbg w/ seating nipple on bottom to 4989'. SDFN.

DC: \$5697  
CC: \$6105

2-18-88 - Present operations: TIH w/ pkr. Finish TIH w/ 2 3/8" tbg to 6893'. Circ w/ 96 bbls 3% KCl water w/ clay stabilizer. RU swab equipment, swab back 82 bbls water. Fluid at 5890'. POH, RU Dyna-Jet & perforate at 6567', 6566, 6563,

San Arroyo Unit #38

-----  
6550, 6549, 6539, 6534, 6533, 6527, 6526, 6467, 6466, 6461, w/ 1  
shot each. Total 13 holes. SDFN.

DC: \$2302

CC: \$8407

2-19-88 - Present operation: swabbing. TIH w/ pkr. Set pkr at 6279'. RU swab equip. Fluid at 5900'. Make 1 swab run w/ no fluid return. RU Dowell. Pumped 1500 gals of 7 1/2% HCl. Drop 25 ball sealers. Broke down at 3300 psi. Pump 5 bbls/min at 2860'. Pump 4 bbls of KCl water for flush. Ball off perfs at 5200 psi. Surge balls off perfs. Finished displacing acid w/ 29 bbls water w/ 800 scf per bbl of N2. Max press 5200. Avg press 3400. ISIP 2670. 5 min 2290. 10 min 2100. 15 min 2040. Flow back 14 bbls/water. Well died. RU swab equip. Fluid at 3000'. Swab back 16 1/2 bbls fluid at seating nipple at 6273'. SDFN.

DC: \$7188

CC: \$15,595

2-20-88 - Present operation: waiting on frac. SITP 20 psig. Rig up swab and found fluid @ 5000'. Swab 4 1/2 bbl water in three runs. Released pkr and run down through perforations. Reset pkr @ 6279'. Rig up and swab. Fluid at 5200'. Swab 7 1/2 bbls in 9 runs. Recovered total 12 bbls in 9 hrs. Well flowed continuously while swabbing. TSTM. Estimate under 20 MCFD rate. Released pkr, pull out of hole & SDn. Transmission out of rig.

DC: \$4876

CC: \$20,471

2-21-88 - No report.

2-22-88 - No report.

2-23-88 - Present operation: TIH for frac job. 3% KCl in hole. Casing: 4 1/2 11.6# N-80 surf - 7001. 4.00 ID. PBTD 6963'. TD 7053'. Open perfs: 6461-6567 13 holes. Still shut in.

DC: \$806

CC: \$21,138

2-24-88 - Present operations: Flow back frac on 20/64" choke. SITP 2100 psig, SICP 2050 psig. 3% KCl water. Added to system: 528 bbls. Lost to formation 528 bbls. Total lost to date: 597 bbls. Total swabbed: 42.5. Left to recover: 623.6 bbls. Type of test: flow through positive choke. 20/64" choke. TP 600. CP 1300. Flowing strong mist. Remarks: RIH w/ 2 3/8" tbg with

## San Arroyo Unit #38

-----  
 seating nipple on bottom. Land tbq at 6020'. Install blast joint across side valves in BOP and closed pipe rams just above upset on 6 ft pup joint. Move in Dowell and rig up fracture tread using a 75% quality foam frac. Rig down Dowell and move out. Rig up flow line and shut well in overnight.

Supplemental Report  
 San Arroyo Unit #38

Fracture Details: Fracture treat well w/ 21,000# 100 mesh sand and 77,000# 20/40 sand in 84,500 gal of 75% quality foam using a triple entry technique and foaming downhole. All fluid and 35% of nitrogen pumped down casing-tubing annulus with remaining 65% being pumped down tbq as follows:

7,000	75%Q	25	5120	4659	Pad
14,000	75%Q	25	6197	5254	1/2 100 mesh. Start 1 ppg stage of 100 mesh sand and quintiplex pump. Lost two valves and ruptured suction hose. Repaired pump & resumed frac.
5,000	75%Q	25	5849	5259	Pad Restart frac
3,000	"	"	5936	5281	1/2 100 mesh
14,000	"	"	6161	5268	1 100 mesh
6,500	"	"	6170	5273	1/2 20-40
6,500	"	"	5689	5158	1 20-40
6,500	"	"	5057	5474	2 20-40
6,500	"	"	5282	5497	2 1/2 20-40
6,000	"	"	5529	5359	3 20-40
5,000	"	"	5529	5359	3 1/2 20-40
4,200	"	"	5850	4861	Flush

ISIP 3900 psig. 5 min 3542 psig. 10 min 3474 psig. 15 min 3428 psig. Casing pressures only. Shut in overnight. Total nitrogen used 2,200,000 scf.

DC: \$59,365  
 CC: \$316,812

## San Arroyo Unit #38

-----  
 2-25-88 - Flow back frac fluids. 3% KCl 8.4#. Casing size: 4 1/2" 11.6# N-80 surf - 7001'. 4.0 ID. PBD 6963-7053'. Open perfs: 6164 - 6567'. 13 holes. Hourly readings on tubing and casing pressure and watch flowback.

Time	TP	CP	Remarks
7 am	2100	2050	Blew 15 min. water came. Press drop 475.
8 am	680	1600	Heavy water - no sand
9 am	580	1260	More gas, less water, no sand
10 am	470	1050	Heavy mist
11 am	390	820	"
12 noon	300	750	"
1 pm	240	600	"
2 pm	220	550	"
3 pm	180	500	Med mist
4 pm	140	500	"
5 pm	110	420	"
6 pm	100	410	40 bbls flowback
7 pm	80	400	Light mist
8 pm	80	350	"
9 pm	75	325	"
10 pm	75	300	"
11 pm	70	275	small stream of fluid
12 mid	60	250	"
1 am	60	250	"
2 am	60	255	"
3 am	60	255	"
4 am	50	250	"
5 am	45	200	"
6 am	45	200	"
7 am	40	200	"
8 am	40	200	Stream now smaller than pencil. tstm.

DC: \$4210

CC: \$82,959

2-26-88 - Present operations: swabbing. Remarks: Flow back frac fluid. 7 bbls. Make 4 swab runs to 6458'. Recovered 3 1/2 bbls fluid. SI well - TP up to 30. CP 90#. Swab run, recovered 1/2 bbl fluid. Small gas flow - would not stay lit. Swab run, recovered 1/2 bbl fluid. SI well. SDFN. Pressures: 7 am 2/26/88 TP 600 psi, CP 600 psi, 7 ft flare for 1 hr, died.



San Arroyo Unit #38

-----  
Flow back:

Time	TP	CP	Remarks
8 am	40	200	small stream
9 am	40	200	Blowing steady 12 min to fill 5 gallon bucket.
10 am	40	200	
11 am	30	190	

Swab Runs:

1st run	- fluid @ 5900' /	CP 40.	Heavy gas-cut.
2nd run	6200'	CP 50	Heavy gas-cut
3rd run	6500'	60	"
4th run	6500'	70	"
5th run	6500'	100	"
6th run	6500'	140	"

DC: \$1127

CC: \$84,086

2-27-88 - Present operation: Moving to SAU #40. Type of fluid: 3% KCL. 8.4#. Swabbed today: 7 1/2 bbls. Total swabbed: 52 bbls. Remarks: TP 600 psi. CP 600 psi. Open 2" flow line. No choke, to flare pit & light flare. 7 ft flare. 1 hr. RU swabbers and make 7 runs.

1st run	500' fluid	80 psi CP
2nd	500	100
3rd	300	120
4th	300	130
5th	400	170 - well kicked off - light blow
6th	250	160
7th	200	140 - CP dropped to 120 psi.

Note: pressures as of 6 a.m. Saturday 2/27/88: TP 560 psi. CP 560 psi.

DC: \$2745

CC: \$86,831

2-28-88 - Shut in. TP 620 psig, CP 625 psig.

2-29-88 - 8:56 a.m. 2/29/88: TP 595 psi, CP 595 psi. 9:05 a.m. 2/29/88: Flow well on 1/2" choke. TP 280 psi, CP 340 psi. SIFBU.

San Arroyo Unit #38

3-1-88 - Pressure testing.

Time	Tubing Pressure	Casing Pressure
----	-----	-----
9:05 am	280	340
9:15	200	260
9:25	110	140
9:35	50	110
9:45	25	105
9:55	20	105

Shut in at 9:55 am.

10:10	100	140
-------	-----	-----

CC: \$87,326

3-2-88 - Pressure testing.

Time	Tubing Pressure	Casing Pressure
----	-----	-----
10:45	585	585
10:55	350	425
11:05	140	300
11:15	80	220
11:25	60	200
11:35	40	190
11:45	30	175
11:20	small puffs fluid	
11:23	increase to steady fog	
11:27	increase to steady wet fog. Continue while open.	
11:45	shut in.	

3-3-88 - 11:45 am 580 TP. 580 CP. Blow down well 2 1/2 hrs.  
 No fluid. 2:30 pm 0 TP. 240 CP. Dropped 1 soap stick.

DC: \$2078

CC: \$89,404

3-4-88 - Present operations: Blowing down well. Tubing pressure 560#. Casing pressure 560#. Dropped soap stick. Blow well for 2 3/4 hrs. Well started giving up very heavy mist. Still blowing very heavy mist. Tbg pressure 0#. Casing pressure 200#. Well gave up some fluid: 3/4 bbl. Shut well in.

DC:

CC:

San Arroyo Unit #38

-----  
 3-5-88 - Present operatins: Reading daily pressures & blowing  
 2 1/2 / 3 hrs. Casing size: 4 1/2" 11.6# N-80 surf - 7001'.  
 4.00 ID. PBSD 6963'. TD 7053'. Open perfs: 6461 to 6567'. 13  
 holes.

	Tubing Pressure	Casing Pressure
8:00 am	560	560
Dropped 1 large soap stick.		
8:52 am:	Opened well with choke.	
8:56	480	400
9:00	240	400
9:05	100	380
9:15	60	320
11:15	0	200

Shut well in.

3-6-88 - Present operations: Reading daily pressures &  
 blowing 2 1/2 / 3 hrs. Remarks:

	Tubing Pressure	Casing Pressure
11:26 am	560	560
Dropped 2 large soap sticks.		
12:00 noon	Opened valve and blew well.	
12:25	Heavy mist	
2:30	0	200

3-7-88 - Tubing pressure: 570 psi. Casing pressure: 560 psi.  
 Dropped 3 soap sticks. Opened at 1:02 pm. Fluid to surface 4  
 min. Blew dry. Solid fluid 13 min. Blew down to fine mist 55  
 min. Dropped 2 soap sticks and shut in.

3-8-88 - Tubing pressure: 560 psi. Blew down in 1 hr.

3-9-88 - TP 580#, CP 580#, Open well on 2" choke, 15 minute  
 fluid hit heavy mist, CP down to 300#, TP 0#, Blow well for 1  
 hour, CP 225#, TP TSTM, shut well in at 1:45 p.m.

3-10-88 - SI TP for 19 hours 575#, CP 575#, Open well on 2"  
 choke to blow down. Fluid to surface in 12 minutes, heavy mist.  
 CP 320#, 30 minutes 260#, 1 hour 235#, Close well in at 9:45  
 a.m., better blow on tbng.

3-11-88 - No report.

3-12-88 - 8:50 am. Tubing pressure 560#. Casing pressure  
 580#. Dropped 1 soap stick and let set 30 minues. Opened to 2"  
 flow line and let blow for 3 hrs 45 min. Well blew heavy mist  
 in 11 minutes with some fluid. 1 gallon of fluid in 2 minutes  
 was still flowing after 3 3/4 hours. Shut well in at 12:45 pm.

San Arroyo Unit #38

---

3-13-88 - 9:16 am: Tubing pressure 560#. Casing pressure 56#. Dropped 2 large soap sticks. 9:50 am: Opened valve to a 2" line. 10:17 am Heavy mist started flowing. 11:05 am Tubing pressure 0-20#. Casing pressure: 206#. Put 32/64" choke & left valve open. Some mist flowing.

3-14-88 - 9:35 am. Tubing pressure 0. Casing pressure 300#. 34/64" choke. Well flowing. pressure on tbg and flowing for 24 hrs. Removed the choke and produced a 1/8" stream & heavy mist in 10 min. Odor of gas flow indicated pretty good gas. 10:00 no change.

3-15-88 - SITP 540 psig. SICP 560 psig. Open well up and flow wide open. Fluid to surface in 5 minutes. Unloaded slug of liquid for two minutes and then light mist for 3 minutes. Well then settled down to occasional slugging. Installed a 12/64" choke and tested well. Pressure increased to 85 psig in 5 minutes and remained there. Calculated rate 77 MCFD. Removed choke and left well flowing.

3-16-88 - FTP 0 psig, FCP 200 psig. Well flowing pencil sized stream of liquid. Estimate recovering 10-15 Bbl fluid in last 24 hrs. Dropped soap stick and shut in. Estimate that 40 bbls of fluid have been recovered while blowing well. Total load fluid 597 Bbls. Left to recover 462.5 Bbls.

3-17-88 - Shut in. 550# tbg press. 550# csg press.

3-18-88 - Tbg press 570#. Casing press 570#. Shut in. Being tied to production unit by roustabout crew.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
3 TRIAD CENTER, SUITE 350  
SALT LAKE CITY, UT 84180-1203

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number San Arroyo Unit #38

Operator Birch Corporation Address 3801 East Florida Ave. Suite 900  
Denver Co 80210

Contractor Veco Drilling Address 2457 Industrial Blvd. Grand Jct CO  
81503

Location SW 1/4 NE 1/4 Sec. 16 T. 16S R. 25E County Grand

Water Sands

	<u>Depth</u>		<u>Volume</u>	<u>Quality</u>
	From	To	Flow Rate or Head	Fresh or Salty
1.	0-356'		none	
	356-1160'		none	
2.				
3.	1160-5760'		Possible-small amount not measured	Unknown
4.	5760-7053'		Possible-unknown	Unknown
5.				

(Continue on reverse side if necessary)

<u>Formation Tops</u>	Wasatch:	Surface	Dakota:	5972
	Mesaverde:	100	Morrison:	6259
	Mancos:	2038	Entrada:	6764
	Castlegate:	2339		
	Dakota Silt:	5904		
<u>Remarks</u>				

- NOTE: (a) Report on this form as provided for in Rule 806, Oil and Gas Conservation General Rules.
- (b) If a water analysis has been made of the above reported zone, please forward a copy along with this form.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO. ML 4113
2. NAME OF OPERATOR Birch Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE'S NAME
3. ADDRESS OF OPERATOR 3801 East Florida Ave Suite 900 Denver CO 80210		7. UNIT AGREEMENT NAME San Arroyo
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface  1879 FNL 1827 FEL		8. FARM OR LEASE NAME San Arroyo
14. API NUMBER 31253 43-019-3153		9. WELL NO. #38
15. ELEVATIONS (Show whether DF, RT, OR, etc.) 7636 GL 7646 KB		10. FIELD AND POOL, OR WILDCAT San Arroyo
		11. SEC., T., R., N., OR S.E., AND SURVEY OR AREA Sec 16 T16S, R25E
		12. COUNTY OR PARISH Grand
		13. STATE Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:			SUBSEQUENT REPORT OF:		
TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>	WATER SHUT-OFF	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	MULTIPLE COMPLETE	<input type="checkbox"/>	FRACTURE TREATMENT	<input checked="" type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	ABANDON*	<input type="checkbox"/>	SHOOTING OR ACIDIZING	<input checked="" type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>	(Other)	<input type="checkbox"/>
(Other)	<input type="checkbox"/>				

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) \*

This well was completed as per the attached procedure. Completion work began 2-16-88 and finished 2-27-88.

18. I hereby certify that the foregoing is true and correct

SIGNED

*Long Amy*

TITLE

Operations Manager

DATE

4/14/88

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

ENTITY ACTION FORM - DOGM FORM 6

RECEIVED  
JAN 21 1988

OPERATOR Birch Corporation  
ADDRESS 3801 East Florida Avenue  
Suite 900  
Denver, CO 80210

OPERATOR CODE N-9985

PHONE NO. 303 , 759-4400

SUSPENSE FILE

DTS - (7-31-88)

DIVISION OF

OPERATORS MUST COMPLETE FORM UPON SPUDDING NEW GAS & MINING OR WHEN CHANGE IN OPERATIONS OR INTERESTS NECESSITATES CHANGE IN EXISTING ENTITY NUMBER ASSIGNMENT.

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999		43-019-31253	San Arroyo Unit #38	SWNE	16	16S	25E	Grand	1/2/87	1/12/87

**COMMENTS:**

This well was spudded at 11:30 pm on 1/12/88 using VECO Drilling Co., Rig #3.

STATE LEASE ML-4113, SAN ANTONIO UNIT,  
PROPOSED ZONE = ENRD. WELL IS OUTSIDE  
OF ENTRADA P.A (ENTITY 00505). ASSIGN  
NEW ENTITY AS REQUESTED BY OPER-  
ATOR. DTS 1-26-88

**COMMENTS:**

**COMMENTS:**

## SUSPENSE NOTE:

IF WELL IS SUCCESSFULLY COMPLETED IN ENTRADA, THE ENTRADA AA. WILL PROBABLY BE EXPANDED. CHECIC TO VERIFY WELL IS ULTIMATELY ASSIGNED TO CORRECT ENTITY. IF WELL IS COMPLETED IN DAKOTA/MORRISON, IT WILL BE IN THE DAKOTA/MORRISON AA. OTS

**COMMENTS:**

Entity originally set up Enrada formation 10841. Well completed Morrison formation. Entity number change to 00510. (Morrison P.A.) 7-15-88

LCR

**COMMENTS:**

ACTION CODES: A - ESTABLISH NEW ENTITY FOR NEW WELL (SINGLE WELL ONLY)  
B - ADD NEW WELL TO EXISTING ENTITY (GROUP OR UNIT WELL)  
C - RE-ASSIGN WELL FROM ONE EXISTING ENTITY TO ANOTHER EXISTING ENTITY  
D - RE-ASSIGN WELL FROM ONE EXISTING ENTITY TO A NEW ENTITY  
E - OTHER (EXPLAIN IN COMMENTS SECTION)

(SEE INSTRUCTIONS ON BACK OF FORM)

*Larry Jones*  
SIGNATURE

Operations Manager

1/13/87

TITLE

DATE \_\_\_\_\_

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Department of Natural Resources, Division of State Lands & Forestry, holder of lease, ML 4113 :

and hereby designates

NAME: Graham Royalty, Ltd.  
ADDRESS: 1675 Larimer Street, Suite 400  
Denver, Colorado 80202

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Director of the Division of State Lands & Forestry or his representative may serve written or oral instructions in securing compliance with the Rules and Regulations Governing the Issuance of Mineral Leases with respect to (describe acreage to which this designation is applicable):

TOWNSHIP 16 SOUTH - RANGE 25 EAST, S.L.M.

SECTION 16: ALL  
GRAND COUNTY, UTAH  
*SAN ARROYO #38*  
*43-019-31253*

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Rules and Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Director, Division of State Lands & Forestry or his representative.

The lessee agrees promptly to notify the Division of State Lands & Forestry of any change in the designated operator.

Prudential-Bache Energy Growth Fund L.P. G-1  
Prudential-Bache Energy Growth Fund L.P. G-2

By: Graham Royalty, Ltd., General Partner

By: *T. J. Burnett, Jr.*  
(Signature of Lessee)

T. J. Burnett, Jr.  
Senior Vice President - Land

109 Northpark Blvd.  
Covington, Louisiana 70433

(Address)

*May 24, 1989*  
(Date)



June 6, 1989

**RECEIVED**  
JUN 08 1989

DIVISION OF  
OIL, GAS & MINING

State of Utah  
Natural Resources  
Oil & Gas Program  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

Attention: Ms. Tammy Searing

Dear Ms. Searing

Per telephone conversation this date we would like to split the wells shown on the monthly Oil & Gas Production Report turnaround document.

We would like entity numbers; 00500, 00505, 00515, 00520, 08340, 08341, and 09710, to be included on a separate report and mailed to our agent for these wells: Natural Gas Gathering Company of Texas, 12700 Northborough, Suite 100, Houston, TX 77067.

All other wells shown on our monthly report should continue to be mailed to: Graham Royalty, Ltd., 1675 Larimer Street, Suite 400, Denver, Colorado 80202.

If you should have any questions, please advise.

Sincerely,

*C. C. Robbins*

C. C. Robbins  
Reg. Affairs Supervisor

CCR/ng



UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Ut  
84180-1203. • (801-538-5340)

Page 3 of 5

## MONTHLY OIL AND GAS PRODUCTION REPORT

Operator name and address:

• GRAHAM ROYALTY, LTD.  
1675 LARIMER STREET  
DENVER CO 80202  
ATTN: CINDI ROBBINS

Utah Account No. N0505

Report Period (Month/Year) 5 / 89

Amended Report ☐

Well Name			Producing Zone	Days Oper	Production Volume		
API Number	Entity	Location			Oil (BBL)	Gas (MSCF)	Water (BBL)
SAN ARROYO UNIT #37			DK-MR				
4301931252	00500	16S 26E 20					
SAN ARROYO UNIT #38			MRSN				
4301931253	00500	16S 25E 16					
SAN ARROYO 2			ENRD				
4301915885	00505	16S 25E 22					
SAN ARROYO 3			ENRD				
4301915886	00505	16S 25E 23					
SAN ARROYO 5			ENRD				
4301915888	00505	16S 25E 25					
SAN ARROYO 6			ENRD				
4301915889	00505	16S 25E 21					
SAN ARROYO 1			ENRD				
4301916532	00505	16S 25E 26					
SAN ARROYO UNIT #40			ENRD				
4301931250	00505	16S 25E 27					
BITTER CREEK #1			DK-MR				
4301930047	00515	16S 25E 2					
ARCO-STATE 2-1			DKTA				
4301930240	00520	16S 24E 2					
ARCO-STATE 2-2			DKTA				
4301930241	00520	16S 24E 2					
UTE TRIBAL #2-9C6			WSTC				
4301331096	04519	03S 06W 9					
UTE TRIBE 0-1			GR-WS				
4304730183	04520	02S 01E 4					
TOTAL							

Comments (attach separate sheet if necessary)

I have reviewed this report and certify the information to be accurate and complete.

Date

Authorized signature

Telephone

PLEASE COMPLETE FORMS IN BLACK INK

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE  
(Other instructions on  
reverse side)

# SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO.
2. NAME OF OPERATOR Graham Royalty, Ltd.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 1675 Larimer Street, Suite 400, Denver, Colorado 80202		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface		8. FARM OR LEASE NAME
14. PERMIT NO.		9. WELL NO.
15. ELEVATIONS (Show whether OF, RT, OR, etc.)		10. FIELD AND POOL, OR WILDCAT
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA		12. COUNTY OR PARISH
13. STATE		

RECEIVED  
MAY 01 1989

DIVISION OF  
OIL, GAS & MINING

## 16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

### NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

☐

PULL OR ALTER CASING

☐

FRACTURE TREAT

☐

MULTIPLE COMPLETE

☐

SHOOT OR ACIDIZE

☐

ABANDON\*

☐

REPAIR WELL

☐

CHANGE PLANS

☐

(Other)

☐

### SUBSEQUENT REPORT OF:

WATER SHUT-OFF

☐

REPAIRING WELL

☐

FRACTURE TREATMENT

☐

ALTERING CASING

☐

SHOOTING OR ACIDIZING

☐

ABANDONMENT\*

☐

(Other) Change of Operator

☒

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Effective April 1, 1989 Graham Royalty, Ltd. took over as operator from Birch Corporation on various wells in the San Arroyo Field.

The attached Exhibit shows a list of wells and their location.

18. I hereby certify that the foregoing is true and correct

SIGNED

*Wilbur L. Dwyer*  
Wilbur L. Dwyer

TITLE Vice President

DATE April 25, 1989

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

San Arroyo	1	Entrada Unit	SE NW Sec. 26-16S-25E	Grand Co., UT
San Arroyo	2	Entrada Unit	SE NW Sec. 22-16S-25E	Grand Co., UT
San Arroyo	3	Entrada Unit	SE NW Sec. 23-16S-25E	Grand Co., UT
San Arroyo	5	Entrada Unit	NW SE Sec. 25-16S-25E	Grand Co., UT
San Arroyo	6	Entrada Unit	SW NE Sec. 21-16S-25E	Grand Co., UT
San Arroyo	40	Entrada Unit	NW NE Sec. 27-16S-25E	Grand Co., UT

San Arroyo	4	Dakota Unit	SE SW Sec. 30-16S-26E	Grand Co., UT
San Arroyo	8	Dakota Unit	SW SW Sec. 16-16S-25E	Grand Co., UT
San Arroyo	9	Dakota Unit	NW NE Sec. 27-16S-25E	Grand Co., UT
San Arroyo	11	Dakota Unit	NE SW Sec. 15-16S-25E	Grand Co., UT
San Arroyo	12	Dakota Unit	SW SW Sec. 23-16S-25E	Grand Co., UT
San Arroyo	13	Dakota Unit	NE SW Sec. 22-16S-25E	Grand Co., UT
San Arroyo	16	Dakota Unit	SE SW Sec. 26-16S-25E	Grand Co., UT
San Arroyo	17	Dakota Unit	NE NE Sec. 24-16S-25E	Grand Co., UT
San Arroyo	18	Dakota Unit	NW NW Sec. 30-16S-26E	Grand Co., UT
San Arroyo	19	Dakota Unit	SW SE Sec. 14-16S-25E	Grand Co., UT
San Arroyo	20	Dakota Unit	SE NE Sec. 26-16S-25E	Grand Co., UT
San Arroyo	21	Dakota Unit	NW SE Sec. 25-16S-25E	Grand Co., UT
San Arroyo	22	Dakota Unit	NE NE Sec. 15-16S-25E	Grand Co., UT
San Arroyo	24	Dakota Unit	SE NW Sec. 19-16S-25E	Grand Co., UT
San Arroyo	25	Dakota Unit	SW NE Sec. 21-16S-25E	Grand Co., UT
San Arroyo	26	Dakota Unit	SW SW Sec. 20-16S-26E	Grand Co., UT
San Arroyo	27	Dakota Unit	NE SW Sec. 29-16S-26E	Grand Co., UT
San Arroyo	28	Dakota Unit	NW NE Sec. 29-16S-26E	Grand Co., UT
San Arroyo	29	Dakota Unit	NE NE Sec. 22-16S-26E	Grand Co., UT
San Arroyo	30	Dakota Unit	NW SW Sec. 21-16S-26E	Grand Co., UT
San Arroyo	31	Dakota Unit	NW NW Sec. 22-16S-25E	Grand Co., UT
San Arroyo	32	Dakota Unit	SW SW Sec. 14-16S-25E	Grand Co., UT
San Arroyo	33	Dakota Unit	SW SW Sec. 25-16S-25E	Grand Co., UT
San Arroyo	35	Dakota Unit	SE SW Sec. 24-16S-25E	Grand Co., UT
San Arroyo	36A	Dakota Unit	SE SE Sec. 19-16S-26E	Grand Co., UT
San Arroyo	37	Dakota Unit	SW NE Sec. 20-16S-26E	Grand Co., UT
San Arroyo	38	Dakota Unit	SW NE Sec. 16-16S-25E	Grand Co., UT

Arco Fed. 27-1	NW SW Sec. 27-16S-25E	Grand Co., UT
Arco State 2-1	NW SW Sec. 2-16S-24E	Grand Co., UT
Arco State 2-2	NW SW Sec. 2-16S-24E	Grand Co., UT
Arco State 36-7	NW SW Sec. 36-15S-24E	Grand Co., UT
Arco State 36-8	NW SW Sec. 36-15S-24E	Grand Co., UT
Federal 174-1	SE SW Sec. 11-16S-25E	Grand Co., UT
Bittercreek #1	SE SW Sec. 2-16S-25E	Grand Co., UT
Black Horse #1	SE SW Sec. 31-15S-24E	Uintah Co., UT
Fed. Gilbert #1	SE SW Sec. 31-15S-24E	Grand Co., UT

↪ per Jackie Cannon from Buch, Graham Royalty does not own  
 this well. JS 5/15/84

NORTHSTAR GAS COMPANY

256 E. North Sam Houston Parkway, Suite 250, Houston, Texas 77060  
(713) 820-6886

RECEIVED  
APR 09 1990

April 5, 1990

Utah Natural Resources  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

DIVISION OF  
OIL, GAS & MINING

To Whom It May Concern:

Northstar Gas Company is the new operating agent for Graham Royalty, Ltd. Please make any corrections necessary so we may receive our correspondence from your agency. The new information is as follows:

Northstar Gas Company  
256 E. North Sam Houston Parkway, Suite 250  
Houston, Texas 77060  
713-820-6886

Thank you.

Sincerely,

Paul A. Bernard, Jr. / LR  
Paul A. Bernard, Jr.  
Controller

NORTHSTAR GAS COMPANY

PAB/lr  
Enclosures

## STATE OF UTAH

## BOARD AND DIVISION OF OIL, GAS AND MINING

**RECEIVED**  
MAR 12 1990DIVISION OF  
OIL, GAS & MININGDESIGNATION OF AGENT

The undersigned producer, operator, transporter, refiner, gasoline or other extraction plant operator or initial purchaser who is conducting oil and/or gas operations in the State of Utah, does, pursuant to the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah, hereby appoint

Northstar Gas Company, Inc.256 E. North Sam Houston Parkway, Suite 250  
(Address)Houston, Texas 77060

(his, her or its) designated agent to accept and to be served with notices from the Board and Division Director or Authorized Agent in accordance with the Oil and Gas Conservation Act of the State of Utah.

The undersigned further agrees to immediately report in writing, all changes of address of the agent, and any termination of the agent's authority, and in the latter case, the designation of a new agent or agents shall be immediately made. This designation of agent, however, shall remain in full force and effect until and unless a new designation of agent is filed in accordance with the statute and/or rules.

Effective Date of Designation March 1, 1990Company Graham Royalty, Ltd. Phone (303) 629-1736Address 1675 Larimer Street, Suite 400Denver, Colorado 80202By Wilbur L. Dover  
(Signature) Wilbur L. DoverTitle Vice President/Division Manager

June 6, 1989

**RECEIVED**  
JUN 08 1989

State of Utah  
Natural Resources  
Oil & Gas Program  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

DIVISION OF  
OIL, GAS & MINING

Attention: Ms. Tammy Searing

Dear Ms. Searing

Per telephone conversation this date we would like to split the wells shown on the monthly Oil & Gas Production Report turnaround document.

We would like entity numbers; 00500, 00505, 00515, 00520, 08340, 08341, and 09710, to be included on a separate report and mailed to our agent for these wells: Natural Gas Gathering Company of Texas, 12700 Northborough, Suite 100, Houston, TX 77067.

All other wells shown on our monthly report should continue to be mailed to: Graham Royalty, Ltd., 1675 Larimer Street, Suite 400, Denver, Colorado 80202.

If you should have any questions, please advise.

Sincerely,

*C. C. Robbins*

C. C. Robbins  
Reg. Affairs Supervisor

CCR/ng

## MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

C/O NORTHSTAR GAS CO INC  
GRAHAM ROYALTY LTD  
15000 NW FREEWAY STE 203  
HOUSTON TX 77040UTAH ACCOUNT NUMBER: N0505REPORT PERIOD (MONTH/YEAR): 6 / 93AMENDED REPORT ☐ (Highlight Changes)

Well Name API Number	Entity	Location	Producing Zone	Well Status	Days Oper	Production Volumes		
						OIL(BBL)	GAS(MCF)	WATER(BBL)
SAN ARROYO UNIT #37								
✓ 4301931252	00500	16S 26E 20	DK-MR	<i>U-5650</i>				
SAN ARROYO UNIT #38								
✓ 4301931253	00500	16S 25E 16	MRSN	<i>ML-4113</i>				
SAN ARROYO UNIT #41								
✓ 4301931289	00500	16S 25E 36	DKTA	<i>ML-4668</i>				
SAN ARROYO UNIT #42								
✓ 4301931290	00500	16S 26E 30	DKTA	<i>U-06023</i>				
SAN ARROYO UNIT #43								
✓ 4301931291	00500	16S 26E 29	DK-MR	<i>U-06021</i>				
SAN ARROYO #45								
✓ 4301931299	00500	16S 26E 20	DK-MR	<i>U-05650</i>				
SAN ARROYO #44								
✓ 4301931301	00500	16S 26E 30	DK-MR	<i>U-06023</i>				
FEDERAL #49								
✓ 4301931316	00500	16S 26E 29	DK-MR	<i>U-025245</i>				
FEDERAL #47								
✓ 4301931318	00500	16S 26E 31	DK-MR	<i>U-06023</i>				
SAN ARROYO UNIT #34-A								
✓ 4301911091	00505	16S 25E 21	ENRD	<i>U-136529</i>				
SAN ARROYO 2								
✓ 4301915885	00505	16S 25E 22	ENRD	<i>U-0370A</i>				
SAN ARROYO 3								
✓ 4301915886	00505	16S 25E 23	ENRD	<i>U-0369</i>				
SAN ARROYO 5								
✓ 4301915888	00505	16S 25E 25	ENRD	<i>U-0369</i>				
TOTALS								

COMMENTS: \_\_\_\_\_

I hereby certify that this report is true and complete to the best of my knowledge.

Date: \_\_\_\_\_

Name and Signature: \_\_\_\_\_

Telephone Number: \_\_\_\_\_





PRODUCTION SERVICES CO.

Denver District

RECEIVED

JUL 16 1993

DIVISION OF  
OIL, GAS & MINING

July 14, 1993

State of Utah  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, UT 84180-1203

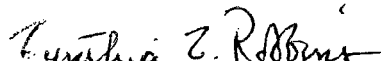
Attn: Ms. Lisha Cordova

Dear Ms. Cordova,

Effective August 1, 1993 we would like to change our operator name from Graham Royalty, Ltd. to Graham Energy, Ltd. Per our conversation this date it should be a simple change as no bond changes are required.

Attached is a list of the wells affected. Thank you.

Sincerely,

  
Cynthia C. Robbins  
Regulatory Affairs Supervisor

CC: Ken McKinney

Division of Oil, Gas and Mining  
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

☐ Well File \_\_\_\_\_

☐ Suspense  
(Return Date) \_\_\_\_\_  
(To - Initials) \_\_\_\_\_

☒ Other  
*Operator Change*

(Location) Sec \_\_\_\_\_ Twp \_\_\_\_\_ Rng \_\_\_\_\_

(API No.) \_\_\_\_\_

1. Date of Phone Call: 7-19-93 - Time: 3:00

2. DOGM Employee (name) L. Cordova (Initiated Call ☒)  
Talked to:

Name Cynthia Robbins (Initiated Call ☐) - Phone No. (303) 629-1736  
of (Company/Organization) Graham

3. Topic of Conversation: Confirm address for Graham Energy LTD.

4. Highlights of Conversation: \_\_\_\_\_

Agent "Northstar Gas Co. Inc." is to remain the same as is Houston  
mailing address. Change address for Graham Energy LTD from  
LA to TX. (updated 7-22-93)

\* 931116 - Linda Goldsby "Graham" referred to Btm /S.Y.

## PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

☐ Well File \_\_\_\_\_☐ Suspense☒ Other

(Return Date) \_\_\_\_\_

*Operator Change*

(Location) Sec \_\_\_\_\_ Twp \_\_\_\_\_ Rng \_\_\_\_\_

(To - Initials) \_\_\_\_\_

(API No.) \_\_\_\_\_

1. Date of Phone Call: 12-9-93 Time: 3:002. DOGM Employee (name) P. Cordova (Initiated Call ☒  
Talked to:Name Ken McKinney (Initiated Call ☐) - Phone No. (504) 893-8391of (Company/Organization) Graham Royalty / Graham Energy3. Topic of Conversation: Oper. nm. chg. "Graham Royalty to Graham Energy"

4. Highlights of Conversation:

Add'l info. required by Btms.L. "San Arroyo Unit", also Graham Energy has sold the wells to Northstar Gas Co. Inc. Documentation will follow.\* Northstar Gas Co. Inc. / Paul Bernard (713) 937-4314  
Mailing documentation ASAP.

Bureau of Land Management  
Branch of Fluid Minerals (UT-922)  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

RECEIVED

DEC 30 1993

DIVISION OF  
OIL, GAS & MINING

December 29, 1993

Graham Energy, Ltd.  
P.O. Box 3134  
Covington, Louisiana 70434-3134

RE: San Arroyo Unit  
Grand County, Utah

Gentlemen:

On December 27, 1993, we received an indenture whereby Graham Royalty, Ltd. resigned as Unit Operator and Graham Energy, Ltd. was designated as Successor Unit Operator for the San Arroyo Unit, Grand County, Utah.

The instrument is hereby approved effective December 29, 1993. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the San Arroyo Unit Agreement.

Your nationwide (Wyoming) oil and gas bond No. 1845 will be used to cover all operations within the San Arroyo Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Moab (w/enclosure)  
Division of Oil, Gas & Mining  
Division of Lands and Mineral Operations U-942  
File - San Arroyo Unit (w/enclosure)  
MMS - Data Management Division  
Agr. Sec. Chron  
Fluid Chron

WELL STATUS REPORTS  
UTAH STATE OFFICE

INSPECTION ITEM	API NO.	WELL NUMBER	QTQT	SEC	TWN	RNG	WELL STATUS	LEASE NAME	OPERATOR
** INSPECTION ITEM 891003859A SAN ARROYO DK MO									
891003859A	✓430191589200S1	11	NESW	15	16S	25E	PGW	UTU05059C	GRAHAM ROYALTY LIMITED
891003859A	✓430191589300S1	12	SWSW	23	16S	25E	PGW	UTSL071307	GRAHAM ROYALTY LIMITED
891003859A	✓430191589400S1	13	NESW	22	16S	25E	GS1	UTU0370A	GRAHAM ROYALTY LIMITED
<del>891003859A</del>	<del>✓430191589500X1</del>	<del>14</del>	<del>SWNE</del>	<del>16</del>	<del>16S</del>	<del>25E</del>	<del>ABD</del>	<del>STATE</del>	<del>GRAHAM ROYALTY LIMITED</del>
891003859A	✓430191109100S1	15	NESW	21	16S	25E	TA	UTU0136529	GRAHAM ROYALTY LIMITED
891003859A	✓430191589600S1	16	SESW	26	16S	25E	PGW	UTU0369	GRAHAM ROYALTY LIMITED
891003859A	✓430191589700S1	17	NENE	24	16S	25E	PGW	UTU025243	GRAHAM ROYALTY LIMITED
891003859A	✓430191589800S1	18	NWNW	30	16S	26E	GS1	UTU06023	GRAHAM ROYALTY LIMITED
891003859A	✓430191589900S1	19	SWSE	14	16S	25E	PGW	UTU05011B	GRAHAM ROYALTY LIMITED
891003859A	✓430191590000S1	20	SENE	26	16S	25E	PGW	UTSL071307	GRAHAM ROYALTY LIMITED
891003859A	✓430191590100S1	21	NWSE	25	16S	25E	PGW	UTU0369	GRAHAM ROYALTY LIMITED
891003859A	✓430191590200S1	22	NENE	15	16S	25E	PGW	UTU05011A	GRAHAM ROYALTY LIMITED
891003859A	✓430191590300S1	24	SENW	19	16S	26E	PGW	UTU06188	GRAHAM ROYALTY LIMITED
891003859A	✓430191590400S1	25	SWNE	21	16S	25E	PGW	UTU0136529	GRAHAM ROYALTY LIMITED
891003859A	✓430191590500S1	26	SWSW	20	16S	26E	PGW	UTU025297	GRAHAM ROYALTY LIMITED
891003859A	✓430191590600S1	27	NESW	29	16S	26E	PGW	UTU06021	GRAHAM ROYALTY LIMITED
891003859A	✓430191590700S1	28	NWNE	29	16S	26E	PGW	UTU05650	GRAHAM ROYALTY LIMITED
891003859A	✓430191590800S1	29	NENE	22	16S	25E	PGW	UTU0370A	GRAHAM ROYALTY LIMITED
891003859A	✓430191590900S1	30	NWSW	21	16S	26E	PGW	UTU05650	GRAHAM ROYALTY LIMITED
891003859A	✓430193052700S1	31	NWNW	22	16S	25E	PGW	UTU0370A	GRAHAM ROYALTY LIMITED
891003859A	✓430193052800S1	32	SWSW	14	16S	25E	PGW	UTU05011B	GRAHAM ROYALTY LIMITED
891003859A	✓430193060800S1	33	SWSW	25	16S	25E	PGW	UTU0369	GRAHAM ROYALTY LIMITED
891003859A	✓430191109000S1	35	SESW	24	16S	25E	PGW	UTU0369	GRAHAM ROYALTY LIMITED
891003859A	✓430193125100S1	36-A	SESE	19	16S	26E	PGW	UTU06188	GRAHAM ROYALTY LIMITED
891003859A	✓430193125200S1	37	SWNE	20	16S	26E	PGW	UTU05650	GRAHAM ROYALTY LIMITED
891003859A	✓430193125300S1	38	NESW	16	16S	25E	PGW	STATE	GRAHAM ROYALTY LIMITED
891003859A	✓430191588700S1	4	SESW	30	16S	26E	PGW	UTU06023	GRAHAM ROYALTY LIMITED
891003859A	✓430193128900S1	41	NENE	36	16S	25E	PGW	STATE	GRAHAM ROYALTY LIMITED
891003859A	✓430193129000S1	42	NESE	30	16S	26E	PGW	UTU06023	GRAHAM ROYALTY LIMITED
891003859A	✓430193129100S1	43	NESE	29	16S	26E	PGW	UTU06021	GRAHAM ROYALTY LIMITED
891003859A	✓430193130100S1	44	SENE	30	16S	26E	PGW	UTU06023	GRAHAM ROYALTY LIMITED
891003859A	✓430193129900S1	45	NWSE	20	16S	26E	PGW	UTU05650	GRAHAM ROYALTY LIMITED
891003859A	✓430193131800S1	47	NENE	31	16S	26E	PGW	U06023	GRAHAM ROYALTY LIMITED
891003859A	✓430193131600S1	49	NENW	29	16S	26E	PGW	UTU025245	GRAHAM ROYALTY LIMITED
891003859A	✓430191589000S1	8	SWSW	16	16S	25E	PGW	STATE	GRAHAM ROYALTY LIMITED
891003859A	✓430191589100S1	9	NWNE	27	16S	25E	PGW	UTU0370A	GRAHAM ROYALTY LIMITED
** INSPECTION ITEM 891003859B SAN ARROYO EN									
891003859B	✓430191653200S1	1	SENW	26	16S	25E	PGW	UTSL071307	GRAHAM ROYALTY LIMITED
891003859B	✓430191588500S1	2	SENW	22	16S	25E	PGW	UTU0370A	GRAHAM ROYALTY LIMITED
891003859B	✓430191588600S1	3	SENW	23	16S	25E	GS1	UTU0369	GRAHAM ROYALTY LIMITED
891003859B	✓430193125000S1	40	NWNE	27	16S	25E	PGW	UTU0370A	GRAHAM ROYALTY LIMITED
891003859B	✓430191588800S1	5	NWSE	25	16S	25E	PGW	UTU0369	GRAHAM ROYALTY LIMITED
891003859B	✓430191588900S1	6	SWNE	21	16S	25E	PGW	UTU0136529	GRAHAM ROYALTY LIMITED

**STATE OF UTAH**  
**DIVISION OF OIL, GAS AND MINING**  
 355 West North Temple, 3 Triad, Suite 350, Salt Lake City, UT 84180-1203

Page 3 of 4

## MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

C/O NORTHSTAR GAS CO INC  
 GRAHAM ENERGY LTD  
 15000 NW FREEWAY STE 203  
 HOUSTON TX 77040

UTAH ACCOUNT NUMBER: N7590REPORT PERIOD (MONTH/YEAR): 12 / 93AMENDED REPORT ☐ (Highlight Changes)

Well Name			Producing Zone	Well Status	Days Oper	Production Volumes		
API Number	Entity	Location				OIL(BBL)	GAS(MCF)	WATER(BBL)
SAN ARROYO UNIT #38								
✓ 4301931253	00500	16S 25E 16	MRSN					
SAN ARROYO UNIT #41								
✓ 4301931289	00500	16S 25E 36	DKTA					
SAN ARROYO UNIT #42								
✓ 4301931290	00500	16S 26E 30	DKTA					
SAN ARROYO UNIT #43								
✓ 4301931291	00500	16S 26E 29	DK-MR					
SAN ARROYO #45								
✓ 4301931299	00500	16S 26E 20	DK-MR					
SAN ARROYO #44								
✓ 4301931301	00500	16S 26E 30	DK-MR					
FEDERAL #49								
✓ 4301931316	00500	16S 26E 29	DK-MR					
FEDERAL #47								
✓ 4301931318	00500	16S 26E 31	DK-MR					
SAN ARROYO UNIT #34-A								
✓ 4301911091	00505	16S 25E 21	ENRD					
SAN ARROYO 2								
✓ 4301915885	00505	16S 25E 22	ENRD					
SAN ARROYO 3								
✓ 4301915886	00505	16S 25E 23	ENRD					
SAN ARROYO 5								
✓ 4301915888	00505	16S 25E 25	ENRD					
SAN ARROYO 6								
✓ 4301915889	00505	16S 25E 21	ENRD					
<b>TOTALS</b>								

COMMENTS: \_\_\_\_\_

I hereby certify that this report is true and complete to the best of my knowledge.

Date: \_\_\_\_\_

Name and Signature: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

Routing:

1-LEC	7-SJ	✓
2-DTS	8-FILE	✓
3-VLC		✓
4-RJF		✓
5-ELC		✓
6-PL		✓

Attach all documentation received by the division regarding this change.  
 Initial each listed item when completed. Write N/A if item is not applicable.

- ☐ Change of Operator (well sold)      ☐ Designation of Agent  
☐ Designation of Operator      ☒ **Operator Name Change Only**

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 8-1-93)

TO (new operator) **GRAHAM ENERGY LTD**  
 (address) **C/O NORTHSTAR GAS CO INC**  
**15000 NW FREEWAY STE 203**  
**HOUSTON, TX 77040**  
 phone (713) 937-4314  
 account no. N 7590

FROM (former operator) **GRAHAM ROYALTY LTD**  
 (address) **C/O NORTHSTAR GAS CO INC**  
**15000 NW FREEWAY STE 203**  
**HOUSTON, TX 77040**  
 phone (713) 937-4314  
 account no. N 0505(A)

Well(s) (attach additional page if needed):

**\*SAN ARROYO UNIT, NW-115, ETC.**

Name <b>**SEE ATTACHED**</b>	API: <u>019-31253</u>	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____

**OPERATOR CHANGE DOCUMENTATION**

- Lee 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). Rec'd 7-16-93
- N/A 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). See Graham Royalty, LTD, Graham Energy, LTD and Graham Resources Inc.
- Lee 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes)/no \_\_\_\_ If yes, show company file number: #100783.
- Lee 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of **Federal and Indian** well operator changes should take place prior to completion of steps 5 through 9 below.
- Lee 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (1-10-94)
- Lee 6. Cardex file has been updated for each well listed above. (1-10-94)
- Lee 7. Well file labels have been updated for each well listed above. (1-10-94)
- Lee 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. (1-10-94)
- Lee 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

## ENTITY REVIEW

- See 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
- N/A 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

## BOND VERIFICATION (Fee wells only) \* 50,000 Surety "St. Paul Fire and Marine Ins. Co"; No chg. necessary, no Fee wells currently associated with bond.

- N/A 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- N/A 2. A copy of this form has been placed in the new and former operators' bond files.
- See 3. The former operator has requested a release of liability from their bond (yes/no) no. Today's date 1-12-94 1994. If yes, division response was made by letter dated 1-12-94 1994.

## LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- See 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated 1-12-94 1994, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- N/A 2. Copies of documents have been sent to State Lands for changes involving State leases.

## FILMING

- ✓ 1. All attachments to this form have been microfilmed. Date: March 10 1994.

## FILING

- ✓ 1. Copies of all attachments to this form have been filed in each well file.
- ✓ 2. The original of this form and the original attachments have been filed in the Operator Change file.

## COMMENTS

940107 Bbn/S.Y. Approved C.A. NW-115 and San Arroyo Unit eff. 12-29-93.



STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> <small>Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT— for such proposals.</small>			6. Lease Designation and Serial Number
			7. Indian Allottee or Tribe Name
			8. Unit or Communitization Agreement
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify)			9. Well Name and Number <b>SEE BELOW</b>
2. Name of Operator <b>NORTHSTAR GAS COMPANY INC.</b>			10. API Well Number <b>SEE BELOW</b>
3. Address of Operator <b>15000 NORTHWEST FWY, SUITE 203 HOUSTON TX 77040</b>		4. Telephone Number <b>713-937-4314</b>	11. Field and Pool, or Wildcat <b>SAN ARROYO UNIT</b>
5. Location of Well Footage : _____ County : <b>GRAND</b> QQ, Sec. T., R., M. : _____ State : <b>UTAH</b>			
<b>12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>			
<b>NOTICE OF INTENT</b> <small>(Submit in Duplicate)</small> <div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input type="checkbox"/> Abandonment  <input type="checkbox"/> Casing Repair  <input type="checkbox"/> Change of Plans  <input type="checkbox"/> Conversion to Injection  <input type="checkbox"/> Fracture Treat  <input type="checkbox"/> Multiple Completion  <input checked="" type="checkbox"/> Other _____             </div> <div style="width: 48%;"> <input type="checkbox"/> New Construction  <input type="checkbox"/> Pull or Alter Casing  <input type="checkbox"/> Recompletion  <input type="checkbox"/> Shoot or Acidize  <input type="checkbox"/> Vent or Flare  <input type="checkbox"/> Water Shut-Off             </div> </div> Approximate Date Work Will Start _____		<b>SUBSEQUENT REPORT</b> <small>(Submit Original Form Only)</small> <div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input type="checkbox"/> Abandonment *  <input type="checkbox"/> Casing Repair  <input type="checkbox"/> Change of Plans  <input type="checkbox"/> Conversion to Injection  <input type="checkbox"/> Fracture Treat  <input checked="" type="checkbox"/> Other <u><b>CHANGE OF OPERATOR</b></u> </div> <div style="width: 48%;"> <input type="checkbox"/> New Construction  <input type="checkbox"/> Pull or Alter Casing  <input type="checkbox"/> Shoot or Acidize  <input type="checkbox"/> Vent or Flare  <input type="checkbox"/> Water Shut-Off             </div> </div> Date of Work Completion _____  <small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form. * Must be accompanied by a cement verification report.</small>	

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

**NORTHSTAR GAS COMPANY INC. TOOK OVER AS OPERATOR FROM GRAHAM ROYALTY LTD.  
ON 09-01-93 WITH THE EFFECTIVE DATE OF SALE 09-01-93.**

Well Name	API #	Location
San Arroyo 31	4301930527	16S 25E 22
San Arroyo 32	4301930528	16S 25E 14
San Arroyo 33	4301930608	16S 25E 25
San Arroyo 36-A	4301931251	16S 26E 19
San Arroyo 37	4301931252	16S 26E 20
San Arroyo 38	4301931253	16S 25E 16
San Arroyo 41	4301931289	16S 25E 36
San Arroyo 42	4301931290	16S 26E 30
San Arroyo 43	4301931291	16S 26E 29
San Arroyo 45	4301931299	16S 26E 20

RECEIVED  
 JAN 14 1994  
 DIVISION OF  
 OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name & Signature PAUL BERNARD

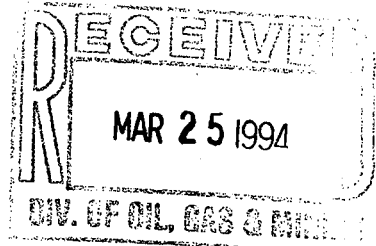
(State Use Only)

Title SEC/TREAS

Date 12-20-93

**COPY**

Bureau of Land Management  
Branch of Fluid Minerals  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155



March 23, 1994

Northstar Gas Company, Inc.  
820 Gessner, Suite 1630  
Houston, Texas 77024

Re: San Arroyo Unit  
Grand County, Utah

Gentlemen:

On March 17, 1994, we received an indenture dated November 29, 1993, whereby Graham Energy, Ltd. resigned as Unit Operator and Northstar Gas Company, Inc. was designated as Successor Unit Operator for the San Arroyo Unit, Grand County, Utah.

The instrument is hereby approved effective March 23, 1994. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Unit Agreement.

Your statewide (Utah) oil and gas bond No. UT0845 will be used to cover all operations within the San Arroyo Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

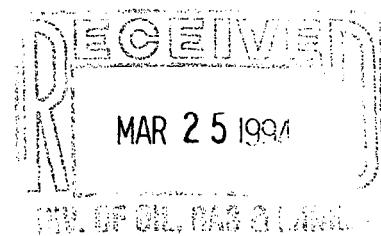
Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Moab (w/enclosure)  
Division of Oil, Gas & Mining  
Division of Lands and Mineral Operations U-942  
File - San Arroyo Unit (w/enclosure)  
MMS - Data Management Division  
Agr. Sec. Chron  
Fluid Chron

U-922:TAThompson:tt:03-23-94

WELL STATUS REPORTS  
UTAH STATE OFFICE



INSPECTION ITEM	API NO.	WELL NUMBER	QTQT	SEC	TWN	RNG	WELL STATUS	LEASE NAME	OPERATOR
** INSPECTION ITEM 891003859A SAN ARROYO DK MO									
891003859A	430191589200S1	11	NESW	15	16S	25E	PGW	UTU05059C	GRAHAM ENERGY LIMITED
891003859A	430191589300S1	12	SWSW	23	16S	25E	PGW	UTSL071307	GRAHAM ENERGY LIMITED
891003859A	430191589400S1	13	NESW	22	16S	25E	GS1	UTU0370A	GRAHAM ENERGY LIMITED
891003859A	430191589500X1	14	SWNE	16	16S	25E	P+A	STATE	GRAHAM ENERGY LIMITED
891003859A	430191109100S1	15 (34-A)	NESW	21	16S	25E	TA	UTU0136529	GRAHAM ENERGY LIMITED
891003859A	430191589600S1	16	SESW	26	16S	25E	PGW	UTU0369	GRAHAM ENERGY LIMITED
891003859A	430191589700S1	17	NENE	24	16S	25E	PGW	UTU025243	GRAHAM ENERGY LIMITED
891003859A	430191589800S1	18	NWNW	30	16S	26E	GS1	UTU06023	GRAHAM ENERGY LIMITED
891003859A	430191589900S1	19	SWSE	14	16S	25E	PGW	UTU05011B	GRAHAM ENERGY LIMITED
891003859A	430191590000S1	20	SENE	26	16S	25E	PGW	UTSL071307	GRAHAM ENERGY LIMITED
891003859A	430191590100S1	21	NWSE	25	16S	25E	PGW	UTU0369	GRAHAM ENERGY LIMITED
891003859A	430191590200S1	22	NENE	15	16S	25E	PGW	UTU05011A	GRAHAM ENERGY LIMITED
891003859A	430191590300S1	24	SENW	19	16S	26E	PGW	UTU06188	GRAHAM ENERGY LIMITED
891003859A	430191590400S1	25	SWNE	21	16S	25E	PGW	UTU0136529	GRAHAM ENERGY LIMITED
891003859A	430191590500S1	26	SWSW	20	16S	26E	PGW	UTU025297	GRAHAM ENERGY LIMITED
891003859A	430191590600S1	27	NESW	29	16S	26E	PGW	UTU06021	GRAHAM ENERGY LIMITED
891003859A	430191590700S1	28	NWNE	29	16S	26E	PGW	UTU05650	GRAHAM ENERGY LIMITED
891003859A	430191590800S1	29	NENE	22	16S	25E	PGW	UTU0370A	GRAHAM ENERGY LIMITED
891003859A	430191590900S1	30	NWSW	21	16S	26E	PGW	UTU05650	GRAHAM ENERGY LIMITED
891003859A	430193052700S1	31	NWNW	22	16S	25E	PGW	UTU0370A	GRAHAM ENERGY LIMITED
891003859A	430193052800S1	32	SWSW	14	16S	25E	PGW	UTU05011B	GRAHAM ENERGY LIMITED
891003859A	430193060800S1	33	SWSW	25	16S	25E	PGW	UTU0369	GRAHAM ENERGY LIMITED
891003859A	430191109000S1	35	SESW	24	16S	25E	PGW	UTU0369	GRAHAM ENERGY LIMITED
891003859A	430193125100S1	36-A	SESE	19	16S	26E	PGW	UTU06188	GRAHAM ENERGY LIMITED
891003859A	430193125200S1	37	SWNE	20	16S	26E	PGW	UTU05650	GRAHAM ENERGY LIMITED
891003859A	430193125300S1	38	NESW	16	16S	25E	PGW	STATE	GRAHAM ENERGY LIMITED
891003859A	430191588700S1	4	SESW	30	16S	26E	PGW	UTU06023	GRAHAM ENERGY LIMITED
891003859A	430193128900S1	41	NENE	36	16S	25E	PGW	STATE	GRAHAM ENERGY LIMITED
891003859A	430193129000S1	42	NESE	30	16S	26E	PGW	UTU06023	GRAHAM ENERGY LIMITED
891003859A	430193129100S1	43	NESE	29	16S	26E	PGW	UTU06021	GRAHAM ENERGY LIMITED
891003859A	430193130100S1	44	SENE	30	16S	26E	PGW	UTU06023	GRAHAM ENERGY LIMITED
891003859A	430193129900S1	45	NWSE	20	16S	26E	PGW	UTU05650	GRAHAM ENERGY LIMITED
891003859A	430193131800S1	47	NENE	31	16S	26E	PGW	U06023	GRAHAM ENERGY LIMITED
891003859A	430193131600S1	49	NENW	29	16S	26E	PGW	UTU025245	GRAHAM ENERGY LIMITED
891003859A	430191589000S1	8	SWSW	16	16S	25E	PGW	STATE	GRAHAM ENERGY LIMITED
891003859A	430191589100S1	9	NWNE	27	16S	25E	PGW	UTU0370A	GRAHAM ENERGY LIMITED
** INSPECTION ITEM 891003859B SAN ARROYO EN									
891003859B	430191653200S1	1	SENW	26	16S	25E	PGW	UTSL071307	GRAHAM ENERGY LIMITED
891003859B	430191588500S1	2	SENW	22	16S	25E	PGW	UTU0370A	GRAHAM ENERGY LIMITED
891003859B	430191588600S1	3	SENW	23	16S	25E	GS1	UTU0369	GRAHAM ENERGY LIMITED
891003859B	430193125000S1	40	NWNE	27	16S	25E	PGW	UTU0370A	GRAHAM ENERGY LIMITED
891003859B	430191588800S1	5	NWSE	25	16S	25E	PGW	UTU0369	GRAHAM ENERGY LIMITED
891003859B	430191588900S1	6	SWNE	21	16S	25E	PGW	UTU0136529	GRAHAM ENERGY LIMITED

**S. E. U. T. CO.**

Accommodation Recording  
Not Examined

**ASSIGNMENT, BILL OF SALE  
AND CONVEYANCE**

Entry No. **429639**  
Recorded 10-22-93 2 36 PM  
Bk. 457 Pg. 83 Fee 80.00  
96  
Marlene Mosher  
Recorder of Grand County

This Assignment, Bill of Sale and Conveyance ("Assignment"), is from each of Prudential-Bache Energy Growth Fund, L.P. G-1 and Prudential-Bache Energy Growth Fund, L.P. G-2, each a Delaware limited partnership and acting herein through their general partner, Graham Energy, Ltd. (collectively, "Assignor"), to Northstar Gas Company, Inc. ("Assignee"). Assignor has an address of 109 Northpark Boulevard, Covington, Louisiana 70433, and Assignee has an address of 15000 Northwest Freeway, Suite 203, Houston, Texas 77040.

For, and in consideration of Ten Dollars (\$10.00) cash and other good and valuable consideration in hand paid, the receipt and adequacy of which are hereby acknowledged, each Assignor does hereby, severally, and not jointly, Bargain, Sell, Transfer, Set Over, Grant, Assign, Convey and Deliver unto Assignee, all of such Assignor's right, title, interest and estate in and to the oil and gas properties described on Exhibit "A" (the "Oil and Gas Properties"). The Oil and Gas Properties shall include all mineral interests, working interests, overriding interests, reversionary interests, net profits interests, net revenue interests and any other interest of any kind without warranty of title either express or implied, to the extent they are owned and may be conveyed by Sellers.

The Oil and Gas Properties shall include, to the extent each Assignor may lawfully assign same, all of such Assignor's rights, title, interest and estate in and to the property and rights incident, and to the extent attributable, to the Oil and Gas Properties, the lands covered thereby or utilized therewith, including, without limitation, (i) all presently existing pooling or unitization agreements and the units created thereby, and all units formed by virtue of orders issued by applicable State regulatory agencies, (ii) all presently existing operating agreements and all other contracts, agreements and records, (iii) all personal property, easements, permits, surface leases, servitudes and rights-of-way situated upon or used in connection with the production, treating, storing or transportation of oil, gas or other hydrocarbons or minerals.

TO HAVE AND TO HOLD the Oil and Gas Properties unto Assignee and its successors and assigns forever.

NOTWITHSTANDING ANY PROVISION IN THIS ASSIGNMENT OR ANY DOCUMENT DELIVERED IN CONNECTION HERewith TO THE CONTRARY, THE OIL AND GAS PROPERTIES AND ANY OTHER PROPERTY OR RIGHTS CONVEYED HEREUNDER ARE CONVEYED "AS IS," "WHERE IS," "WITH ALL FAULTS," AND IN THEIR PRESENT CONDITION AND STATE OF REPAIR, AND WITHOUT ANY EXPRESS OR IMPLIED WARRANTY, INCLUDING WARRANTY OF TITLE OR ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR CONFORMITY TO MODELS OR SAMPLES OR AS TO ANY CLAIM BY ASSIGNEE FOR DAMAGES BECAUSE OF DEFECTS, WHETHER KNOWN OR UNKNOWN, OR ANY OTHER SORT OF WARRANTY. ASSIGNEE HAS INSPECTED, OR HAS HAD THE OPPORTUNITY TO INSPECT, THE OIL AND

GAS PROPERTIES AND PREMISES FOR ALL PURPOSES, INCLUDING WITHOUT LIMITATION FOR THE PURPOSE OF DETERMINING THE PRESENCE OF ENVIRONMENTAL CONDITIONS, OF DETECTING THE PRESENCE OF NATURALLY OCCURRING RADIOACTIVE MATERIAL "(NORM)" AND MAN-MADE MATERIAL FIBERS "(MMMF)" AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITIONS, BOTH SURFACE AND SUBSURFACE. ASSIGNEE ACCEPTS ALL OF THE SAME IN THEIR "AS IS," "WHERE IS," CONDITION, AND EACH ASSIGNOR EXPRESSLY DISCLAIMS ANY LIABILITY ARISING IN CONNECTION WITH ANY PRESENCE OR ENVIRONMENTAL CONDITIONS, NORM OR MMMF ON THE OIL AND GAS PROPERTIES.

From and after the Effective Time, Assignee hereby agrees to assume, be bound by and subject to each Assignor's express and implied covenants, rights, obligations and liabilities with respect to the Oil and Gas Properties, and Assignee's interest in the Oil and Gas Properties shall bear its proportionate share of royalty interests, overriding royalty interests and other payments out of or measured by production from and after the Effective Time.

This Assignment is made expressly subject to all existing overriding royalties or other burdens affecting the Oil and Gas Properties as listed on Exhibit "A."

Assignee and its permitted successors and assigns shall preserve and maintain all lease, contract and title files, well logs, well files, division orders and related files, title documentation, correspondence and other data and records in the possession of Assignor pertaining to the Oil and Gas Properties (the "Records") for a period of two (2) years from the date of acknowledgement of this Assignment, during such period shall afford Assignor and its duly authorized representatives access at all reasonable times during normal business hours to all Records as Assignor shall request in order to defend against, oppose or otherwise investigate any claims or potential claims against Assignor arising as a result of any acts, events or operations prior to the date of acknowledgement of this Assignment or as a result of this Assignment, and shall make any conveyance or transfer of the Oil and Gas Properties specifically subject to the obligations of this paragraph.

Notwithstanding any other provision herein to the contrary, this Assignment is made with full substitution and subrogation of Assignee in and to all covenants and warranties by others heretofore given or made to Assignors in respect of the Oil and Gas Properties or any part thereof.

The provisions hereof shall be covenants running with the land and shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns.

In the event two or more Oil and Gas Properties cover the same land (e.g., an oil and gas leasehold interest included within the Oil and Gas Properties may cover the same land as a mineral, royalty or overriding interest included within the Oil and Gas Properties), no merger of title shall occur, and each of the Oil and Gas Properties covering the same land is conveyed and shall be owned by Assignee as a separate and distinct property.

Separate assignments of certain of the Oil and Gas Properties may be executed on officially approved forms by Assignor to Assignee in sufficient counterparts to satisfy applicable statutory and regulatory requirements. Those assignments shall be deemed to contain all of the exceptions, reservations, rights, titles, power and privileges set forth herein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to, the Oil and Gas Properties conveyed herein.

The parties agree to take all such further actions and execute, acknowledge and deliver all such further documents that are necessary or useful in carrying out the purposes of this Assignment. Assignor agrees to execute, acknowledge and deliver to Assignee all such other additional instruments, notices, division orders, transfer orders and other documents and to do all such other and further acts and things as may be necessary to more fully and effectively grant, convey and assign to Assignee the Oil and Gas Properties conveyed hereby or intended so to be.

This Assignment may be executed in any number of counterparts, and each counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute but one assignment.

References in this Assignment and in Exhibit "A," to contracts, agreements or instruments shall not be deemed to create any rights in favor of any third party.

Assignee joins in the execution hereof for the purpose of being bound by all the terms, provisions, obligations and covenants herein specified.

IN WITNESS WHEREOF, this instrument is signed and executed in multiple counterparts as of the date (s) set forth on the acknowledgements hereto, but, shall be effective for all purposes as of 7:00 o'clock A.M., local time, September 1, 1993 (the "Effective Time").

ASSIGNORS:

PRUDENTIAL-BACHE ENERGY  
GROWTH FUND, L.P. G-1

ATTEST:

By: 

By: Graham Energy, Ltd.,  
as General Partner

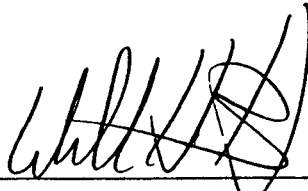
By: 

Kenneth M. McKinney  
Vice President

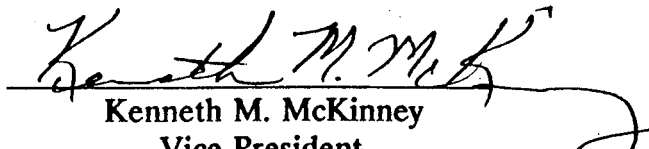
[SEAL]

PRUDENTIAL-BACHE ENERGY  
GROWTH FUND, L.P. G-2

ATTEST:

By: 

By: Graham Energy, Ltd., as  
General Partner

By:   
Kenneth M. McKinney  
Vice President

[SEAL]

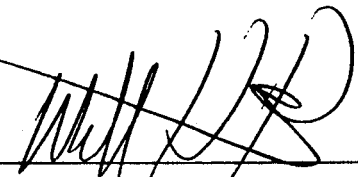
WITNESSES TO ASSIGNORS'  
SIGNATURES:

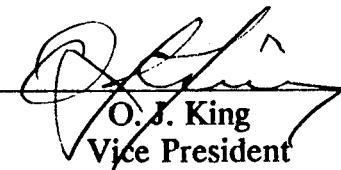
Mina E. Merc  
Belinda J. Hertz

ASSIGNEE:

NORTHSTAR GAS COMPANY, INC.

ATTEST:

By: 

By:   
O. J. King  
Vice President

[SEAL]

WITNESSES TO ASSIGNEE'S  
SIGNATURE:

Mina E. Merc  
Belinda J. Hertz

STATE OF LOUISIANA

PARISH OF ORLEANS

ON THIS, the 20<sup>th</sup> day of October, 1993, before me, the undersigned Notary, personally appeared Kenneth M. McKinney, who acknowledged that he is the Vice President of Graham Energy, Ltd., the general partner of Prudential-Bache Energy Growth Fund, L.P. G-1, a Delaware limited partnership, and that as President he is authorized to execute the foregoing instrument for the purposes therein contained by signing the name of said corporation as general partner of Prudential-Bache Energy Growth Fund, L.P. G-1.

IN WITNESS WHEREOF, I hereunder set my hand and official seal.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:

WILLIAM H. HARDIE, III  
NOTARY PUBLIC  
Parish of Orleans, State of Louisiana  
My Commission is issued for Life.

[SEAL]





STATE OF LOUISIANA

PARISH OF ORLEANS

ON THIS, the 20<sup>th</sup> day of October, 1993, before me, the undersigned Notary, personally appeared Kenneth M. McKinney, who acknowledged that he is the Vice President of Graham Energy, Ltd., the general partner of Prudential-Bache Energy Growth Fund, L.P. G-2, a Delaware limited partnership, and that as President he is authorized to execute the foregoing instrument for the purposes therein contained by signing the name of said corporation as general partner of Prudential-Bache Energy Growth Fund, L.P. G-2.

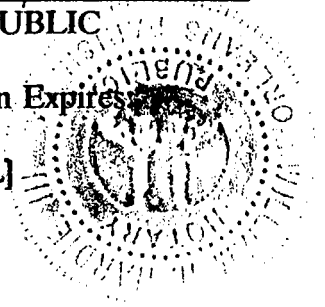
IN WITNESS WHEREOF, I hereunder set my hand and official seal.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires

WILLIAM H. HARDIE, III  
NOTARY PUBLIC  
Parish of Orleans, State of Louisiana  
My Commission is issued for Life.

[SEAL]

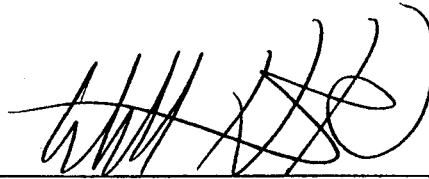


STATE OF LOUISIANA

PARISH OF ORLEANS

ON THIS, the 20<sup>th</sup> day of October, 1993, before me, the undersigned Notary, personally appeared O. J. King, who acknowledged that he is the Vice President of Northstar Gas Company, Inc., a Texas corporation, and that as Vice President he is authorized to execute the foregoing instrument for the purposes therein contained by signing the name of said corporation.

IN WITNESS WHEREOF, I hereunder set my hand and official seal.

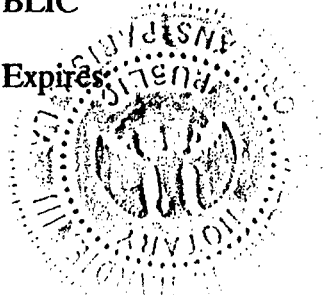


NOTARY PUBLIC

My Commission Expires:

WILLIAM H. HARDIE, III  
NOTARY PUBLIC  
Parish of Orleans, State of Louisiana  
My Commission is issued for Life.

[SEAL]



**EXHIBIT "A"**  
**ATTACHED TO ASSIGNMENT,**  
**BILL OF SALE AND CONVEYANCE**  
**PART I**  
**LANDS AND LEASES**  
**ALL IN GRAND COUNTY, UTAH UNLESS OTHERWISE SPECIFIED**

Lease Serial Number	Lessor	Lessee	Description of Lands	Book	Page	Lease Date	Associated Properties
ML-22208 (1038)	State of Utah	Atlantic Richfield Company	T15 1/2S, R24E, SLM Sec. 36: All T16S, R24E, SLM Sec. 2: All	220	177	9-28-64	ARCO State 2-1, 2-2, 36-7, 36-8
U-29645 (1174)	U.S.A.	Atlantic Richfield Company	T16S, R25E, SLM Sec. 27: SW/4, S/2 SE/4 Sec. 34: NE/4, NE/4 NW/4, NE/4 SE/4			5-1-75	ARCO 27-1 Valentine Fed #2 ARCO Fed D-1
ML-25151 (191-1)	State of Utah	Sinclair Oil & Gas Company	T16S, R25E, SLM Section 2: All	163	390	3-7-68	Bittercreek #1
J-0126528 (174-1)	U.S.A.	James F. Gilbert	T16S, R25E, SLM Sec. 11: N/2, N/2 SW/4, SE/4 SW/4, SE/4 Sec. 12: S/2			12-1-63	Federal Gilbert #1 Federal 174-1 ARCO Fed H-1
U-0141420 (180-1)	U.S.A.	Sinclair Oil Company	T16S, R25E, SLM Sec. 11: SW/4 SW/4			8-1-64	Federal 174-1
ML-4113 (44-1)	State of Utah	Lois A. Aubrey	T16S, R25E, SLM Sec. 16: All	6-Q	207	1-2-52	San Arroyo Unit Area
U-05011-A (45-2)	U.S.A.	Pierce T. Norton	T16S, R25E, SLM Sec. 14: NW/4, SE/4 SE/4, N/2 SE/4, NE/4 SW/4 Sec. 15: NE/4			9-1-51 *4-1-55	Tenneco Fed 14-2 San Arroyo Unit Area

Lease Segregated Effective

**EXHIBIT "A"**  
**PART I**

<b>Lease Serial Number</b>	<b>Lessor</b>	<b>Lessee</b>	<b>Description of Lands</b>	<b>Book</b>	<b>Page</b>	<b>Lease Date</b>	<b>Associated Properties</b>
U-0369 (46-1)	U.S.A.	Clair D. Jones	T16S, R25E, SLM Sec. 23: N/2 Sec. 24: W/2, SE/4, S/2 NE/4 Sec. 25: All Sec. 26: N/2 S/2, SE/4 SW/4, S/2 SE/4			2-1-51	San Arroyo Unit Area
SL-071307 (47-1)	U.S.A.	James E. Croudace	T16S, R25E, SLM Sec. 23: S/2 Sec. 26: N/2			12-1-50	San Arroyo Unit Area
U-0370-A (48-1)	U.S.A.	Clair D. Jones	T16S, R25E, SLM Sec. 21: E/2 NE/4, NE/4 SE/4 Sec. 22: All Sec. 27: NE/4, NE/4 NW/4, NE/4 SE/4			2-1-51 *6-1-55	San Arroyo Unit Area
U-05059-A (49-2)	U.S.A.	L. J. Batchelor	T16S, R25E, SLM Sec. 15: NW/4 SW/4, E/2 NW/4, SW/4 NW/4			10-1-51 *9-19-61	San Arroyo Unit Area
U-06021 (51-1)	U.S.A.	Fred A. Moore	T16S, R26E, SLM Sec. 29: S/2, S/2 NW/4, NW/4 NW/4			2-1-52	San Arroyo Unit Area
U-06023 (52-1)	U.S.A.	Adiel E. Stewart	T16S, R26E, SLM Sec. 30: All Sec. 31: N/2 N/2			2-1-52	San Arroyo Unit Area
U-06188 (53-1)	U.S.A.	C. M. Rood	T16S, R26E, SLM Sec. 19: SW/4, S/2 NW/4, W/2 SE/4, SE/4 SE/4			*3-1-52	San Arroyo Unit Area

**Lease Segregated Effective**

**EXHIBIT "A"**  
**PART I**

<u>Lease Serial Number</u>	<u>Lessor</u>	<u>Lessee</u>	<u>Description of Lands</u>	<u>Book</u>	<u>Page</u>	<u>Lease Date</u>	<u>Associated Properties</u>
U-05011-B (56-1)	U.S.A.	Pierce T. Norton	T16S, R25E, SLM Sec. 14: SW/4 SE/4, W/2 SW/4, SE/4 SW/4 Sec. 15: SE/4			9-1-51 *2-1-57	San Arroyo Unit Area
U-05059-C (57-1)	U.S.A.	L. J. Batchelor	T16S, R25E, SLM Sec. 15: E/2 SW/4, SW/4 SW/4			*3-1-57	San Arroyo Unit Area
U-025243 (60-1)	U.S.A.	Clair D. Jones	T16S, R25E, SLM Sec. 24: N/2 NE/4			*8-27-57	San Arroyo Unit Area
U-025245 (61-1)	U.S.A.	Fred A. Moore	T16S, R26E, SLM Sec. 29: NE/4 NW/4			2-1-52 *9-1-57	San Arroyo Unit Area
U-025297 (64-2)	U.S.A.	C. M. Rood	T16S, R26E, SLM Sec. 19: N/2 W/2 S/2 NE/4, NE/4 SE/4 Sec. 20: W/2			3-1-52	San Arroyo Unit Area
J-06188-B (74-1)	U.S.A.	Sinclair Oil Corporation	T16S, R25E, SLM Sec. 35: N/2			3-1-52	San Arroyo Unit Area
U-05059-F (134-1)	U.S.A.	L. J. Batchelor	T16S, R25E, SLM Sec. 15: NW/4 NW/4			10-1-51 *9-19-61	San Arroyo Unit Area
U-025243-A (139-1)	U.S.A.	Clair D. Jones	T16S, R25E, SLM Sec. 26: SW/4 SW/4			2-1-51 *1-1-61	San Arroyo Unit Area
U-05650 (176-1)	U.S.A.	Virginia E. Lewis	T16S, R26E, SLM Sec. 21: Lots 2, 3, 4, W/2 W/2 Sec. 20: E/2 Sec. 28: Lots 1, 2, 3, 4 W/2 W/2 Sec. 29: NE/4			12-1-51	San Arroyo Unit Area

Lease Segregated Effective

**EXHIBIT "A"**  
**PART I**

<b>Lease Serial Number</b>	<b>Lessor</b>	<b>Lessee</b>	<b>Description of Lands</b>	<b>Book</b>	<b>Page</b>	<b>Lease Date</b>	<b>Associated Properties</b>
U-0136529 (4000-1)	U.S.A.	Clair D. Jones	T16S, R25E, S1M Sec. 21: W/2 NE/4, E/2 NW/4, W/2 SE/4, SE/4 SE/4, NE/4 SW/4, Sec. 27: W/2 NW/4, SE/4 NW/4, NW/4 SE/4 Sec. 28: NE/4 NE/4			2-1-51 *1-22-64	San Arroyo Unit Area
U-05650-A (177-1)	U.S.A.	Virginia E. Lewis	T16S, R26E, S1M Sec. 21: Lot 1			12-1-51 *10-1-61	San Arroyo Unit Area
U-9831 (949)	U.S.A.	Williams H. Short, Jr. and Franklin Knobel	T16S, R25E, S1M INsofar AND ONLY INsofar as said lease covers: Sec. 6: All			10-10-69	ARCO Fed B-1
U-14234	U.S.A.	Arthur E. Meinhart	T15S, R24E, S1M Sec. 30: All Sec. 31: All Uintah Co., UT			4-1-71	Black Horse Canyon Federal 31-1

Lease Segregated Effective

**EXHIBIT A**  
**Attached to Assignment,**  
**Bill of Sale and Conveyance**

**Part II**

**[OMITTED]**

EXHIBIT A  
ATTACHED TO ASSIGNMENT, BILL OF SALE AND CONVEYANCE  
PART III  
CONTRACTS AND AGREEMENTS

PROPERTY  
REFERENCE

- |  |  |
|--|--|
| San Arroyo<br>Unit Area                                | 1. Unit Agreement for the Development and Operation of the San Arroyo Unit Area, dated June 11, 1956.  |
| San Arroyo<br>Unit Area                                | 2. Unit Operating Agreement for the San Arroyo Unit Area, dated August 16, 1961.   |
| Valentine<br>Fed #2                                    | 3. Communitization Agreement covering the W $\frac{1}{2}$ of Section 34, T16S-R25E.  |
| ARCO<br>Fed. D-1                                       | 4. Communitization Agreement covering the E $\frac{1}{2}$ of Section 34, T16S-R25E.  |
| Fed. 174-1   | 5. Communitization Agreement, dated March 3, 1965 covering the W $\frac{1}{2}$ Section 11, T16S-R25E.  |
| Tenneco<br>Fed. 14-2                                   | 6. Communitization Agreement dated January 1, 1980, covering the N $\frac{1}{2}$ of Section 14, T16S-R25E.   |
| Tenneco<br>Fed. 14-2                                   | 7. Operating Agreement dated June 5, 1980, designating Tenneco Oil Company as Operator and covering the N $\frac{1}{2}$ of Section 14, T16S-R25E.  |
| ARCO<br>Fed. H-1<br>Fed. D-1                           | 8. Farmout Agreement and Operating Agreement dated August 16, 1982, between ARCO Oil & Gas Company and TXO Production Corp., covering the S $\frac{1}{2}$ Section 12, T16S-R25E.   |
| San Arroyo<br>Unit Area                                | 9. Farmout Agreement dated June 6, 1955 by and between H. W. Dougherty and Sinclair Oil and Gas Company, covering lands in sections 21, 22, 23, 24, 25, 26 and 27, T16S-R25E.  |
| ARCO<br>Fed. B-1,<br>Fed. C-1;<br>Valentine<br>Fed. #2 | 10. Farmout Agreement and Operating Agreement between ARCO Oil and Gas Company and Texas Oil and Gas Corp., dated September 30, 1979, covering all of Sections 6 and 34 and the N $\frac{1}{2}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ NE $\frac{1}{4}$ and S $\frac{1}{2}$ N $\frac{1}{2}$ of Section 35, T16S-R25E. |



EXHIBIT "A"  
 ATTACHED TO AND MADE A PART OF THE  
 ASSIGNMENT, BILL OF SALE AND CONVEYANCE  
 PART IV  
 INTEREST IN PROPERTIES AND WELLS

PROPERTY NAME	COUNTY	STATE	OPERATOR	WORKING INTEREST DECIMAL	NET REVENUE INTEREST DECIMAL	OVERRIDING ROYALTY INTEREST DECIMAL
ARCO STATE #2-1	GRAND	UTAH	URI	1.000000000	0.875000000	
ARCO STATE #2-2	GRAND	UTAH	URI	1.000000000	0.875000000	
ARCO STATE #36-7	GRAND	UTAH	URI	1.000000000	0.875000000	
ARCO STATE #36-8	GRAND	UTAH	URI	1.000000000	0.875000000	
ARCO STATE #27-1	GRAND	UTAH	URI	1.000000000	0.875000000	
VALENTINE FED, #2	GRAND	UTAH	LONE MIN.	0.043750000	0.038281200	
FEDERAL 174 #1	GRAND	UTAH	URI	1.000000000	0.848750000	
BITTERCREEK #1	GRAND	UTAH	URI	1.000000000	0.875000000	
ARCO FEDERAL #B-1	GRAND	UTAH	LONE MIN.	0.000000000	0.000000000	0.125000000
ARCO FEDERAL #C-1	GRAND	UTAH	LONE MIN.	0.500000000	0.420000000	
ARCO FEDERAL #D-1	GRAND	UTAH	LONE MIN.	0.218750000	0.191406200	
ARCO FEDERAL #H-1	GRAND	UTAH	LONE MIN.	0.000000000	0.000000000	0.062500000
TENNECO FED. #14-2	GRAND	UTAH	LONE MIN.	0.500000000	0.412500000	
GILBERT FEDERAL #1	GRAND	UTAH	URI	1.000000000	0.845000000	

SAN ARROYO UNIT AREA  
 ENTRADA PARTICIPATING AREA

SAN ARROYO #1	GRAND	UTAH	URI	1.000000000	0.825000000
SAN ARROYO #2	GRAND	UTAH	URI	1.000000000	0.825000000
SAN ARROYO #3	GRAND	UTAH	URI	1.000000000	0.825000000
SAN ARROYO #5	GRAND	UTAH	URI	1.000000000	0.825000000
SAN ARROYO #6	GRAND	UTAH	URI	1.000000000	0.825000000
SAN ARROYO #40U	GRAND	UTAH	URI	1.000000000	0.825000000
SAN ARROYO #40L	GRAND	UTAH	URI	1.000000000	0.825000000

San Arroyo Wells ARE SUBJECT TO A NET PROFITS INTEREST CREATED BY AND SUBJECT TO THAT CERTAIN FARMOUT AGREEMENT DATED JUNE 6, 1955.

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

Routing:

1- <del>DEC</del> 7-SJ
2-DTS 8-FILE
3-VLC
4-RJH
5- <del>DEC</del>
6-PL

Attach all documentation received by the division regarding this change.  
 Initial each listed item when completed. Write N/A if item is not applicable.

- ☒ Change of Operator (well sold)      ☐ Designation of Agent  
☐ Designation of Operator      ☐ Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 9-1-93)

TO (new operator) NORTHSTAR GAS COMPANY INC  
 (address) 820 GESSNER #1630  
HOUSTON, TX 77024  
PAUL BERNARD  
 phone (713) 935-9542  
 account no. N6680

FROM (former operator) GRAHAM ENERGY LTD  
 (address) 15000 NW FREEWAY STE 203  
HOUSTON, TX 77040  
C/O NORTHSTAR GAS CO INC  
 phone (713) 937-4314  
 account no. N 7590

Well(s) (attach additional page if needed):

**\*\*SAN ARROYO UNIT**

Name: <b>**SEE ATTACHED**</b>	API: <u>019-31253</u>	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____

**OPERATOR CHANGE DOCUMENTATION**

- 1 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). (Reg. 1-14-94) (Reg. 3-28-94) (Rec'd Bill of Sale 4-11-94)
- 2 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). (Rec'd 1-14-94)
- 3 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) (yes) If yes, show company file number: #144214.
- 4 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- 5 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (3-31-94)
- 6 6. Cardex file has been updated for each well listed above. (3-31-94)
- 7 7. Well file labels have been updated for each well listed above (3-31-94)
- 8 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. (3-31-94)
- 9 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

## ENTITY REVIEW

- lec 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
- N/A 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

## BOND VERIFICATION (Fee wells only)

- N/A  
lec 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
2. A copy of this form has been placed in the new and former operators' bond files.
3. The former operator has requested a release of liability from their bond (yes/no)    . Today's date                      19   . If yes, division response was made by letter dated                      19   .

## LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- N/A 1. (Rule R615-2-10) The former operator/lessee of any **fee lease** well listed above has been notified by letter dated                      19   , of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- N/A 2. Copies of documents have been sent to State Lands for changes involving **State leases**.

## FILMING

- ✓ 1. All attachments to this form have been microfilmed. Date: 4-19 1994.

## FILING

- lec 1. Copies of all attachments to this form have been filed in each well file.
- lec 2. The original of this form and the original attachments have been filed in the Operator Change file.

## COMMENTS

940328 BLM/S.L. Appv. eff. 3-23-94.

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801

Page 3 of 5

## MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

KATHY TUSON  
NORTHSTAR GAS COMPANY INC  
820 GESSNER #1630  
HOUSTON TX 77024

UTAH ACCOUNT NUMBER: N6680

REPORT PERIOD (MONTH/YEAR): 4 / 96

AMENDED REPORT ☐ (Highlight Changes)

Well Name			Producing Zone	Well Status	Days Oper	Production Volumes		
API Number	Entity	Location				OIL(BBL)	GAS(MCF)	WATER(BBL)
✓ SAN ARROYO U #38								
4301931253	00500	16S 25E 16	MRSN			ML-4113		
✓ SAN ARROYO UNIT #41								
4301931289	00500	16S 25E 36	DKTA			ML-4668		
✓ SAN ARROYO UNIT #42								
4301931290	00500	16S 26E 30	DKTA			U-06023		
✓ SAN ARROYO UNIT #43								
4301931291	00500	16S 26E 29	DK-MR			U-06021		
✓ SAN ARROYO #45								
4301931299	00500	16S 26E 20	DK-MR			U-05650		
✓ SAN ARROYO #44								
4301931301	00500	16S 26E 30	DK-MR			U-06023		
✓ ERAL #49								
4301931316	00500	16S 26E 29	DK-MR			U-025245		
✓ FEDERAL #47								
4301931318	00500	16S 26E 31	DK-MR			U-06023		
✓ SAN ARROYO UNIT #34-A								
4301911091	00505	16S 25E 21	ENRD			U-136529		
✓ SAN ARROYO 2								
4301915885	00505	16S 25E 22	ENRD			U-0370-A		
✓ SAN ARROYO 3								
4301915886	00505	16S 25E 23	ENRD			U-03669		
✓ SAN ARROYO 5								
4301915888	00505	16S 25E 25	ENRD			U-03669		
✓ SAN ARROYO 6								
4301915889	00505	16S 25E 21	ENRD			U-025244		
<b>TOTALS</b>								

COMMENTS:

I hereby certify that this report is true and complete to the best of my knowledge.

Date: \_\_\_\_\_

Name and Signature: \_\_\_\_\_

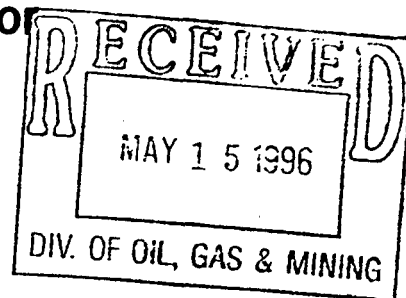
Telephone Number: \_\_\_\_\_

**COPY**

**United States Department of the Interior**

**BUREAU OF LAND MANAGEMENT**

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155



IN REPLY REFER TO:  
UT-922

May 13, 1996

Enogex Exploration Corporation  
P.O. Box 24300  
Oklahoma City, Oklahoma 73124-0300

Re: San Arroyo Unit  
Grand County, Utah

Gentlemen:

On April 29, 1996, we received an indenture dated April 19, 1996, whereby Northstar Gas Company, Inc. resigned as Unit Operator and Enogex Exploration Corporation was designated as Successor Unit Operator for the San Arroyo Unit, Grand County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the San Arroyo Unit Agreement. The instrument is hereby approved effective May 13, 1996.

Your statewide (Utah) oil and gas bond No. 1044 will be used to cover all operations within the San Arroyo Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

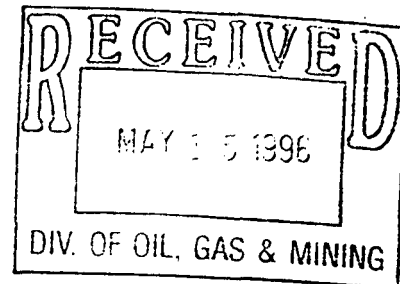
/s/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Moab (w/enclosure)  
~~Division of Oil, Gas & Mining~~  
Division of Lands and Mineral Operations U-942  
File - San Arroyo Unit (w/enclosure)  
MMS - Data Management Division  
Agr. Sec. Chron  
Fluid Chron

WELL STATUS REPORTS  
UTAH STATE OFFICE



INSPECTION ITEM	API NO.	WELL NUMBER	QTQT	SEC	TWN	RNG	WELL STATUS	LEASE NAME	OPERATOR
** INSPECTION ITEM 891003859A SAN ARROYO DK MO									
891003859A	430191589200S1	11	NESW	15	16S	25E	PGW	UTU05059C	NORTHSTAR GAS COMPANY INC
891003859A	430191589300S1	12	SWSW	23	16S	25E	PGW	UTSL071307	NORTHSTAR GAS COMPANY INC
891003859A	430191589400S1	13	NESW	22	16S	25E	GS1	UTU0370A	NORTHSTAR GAS COMPANY INC
891003859A	430191589500X1	14	SWNE	16	16S	25E	P+A	STATE	NORTHSTAR GAS COMPANY INC
891003859A	430191109100S1	15	NESW	21	16S	25E	TA	UTU0136529	NORTHSTAR GAS COMPANY INC
891003859A	430191589600S1	16	SESW	26	16S	25E	PGW	UTU0369	NORTHSTAR GAS COMPANY INC
891003859A	430191589700S1	17	NENE	24	16S	25E	PGW	UTU025243	NORTHSTAR GAS COMPANY INC
891003859A	430191589800S1	18	NWNW	30	16S	26E	PGW	UTU06023	NORTHSTAR GAS COMPANY INC
891003859A	430191589900S1	19	SWSE	14	16S	25E	PGW	UTU05011B	NORTHSTAR GAS COMPANY INC
891003859A	430191590000S1	20	SENE	26	16S	25E	PGW	UTSL071307	NORTHSTAR GAS COMPANY INC
891003859A	430191590100S1	21	NWSE	25	16S	25E	PGW	UTU0369	NORTHSTAR GAS COMPANY INC
891003859A	430191590200S1	22	NENE	15	16S	25E	PGW	UTU05011A	NORTHSTAR GAS COMPANY INC
891003859A	430191590300S1	24	SENW	19	16S	26E	PGW	UTU06188	NORTHSTAR GAS COMPANY INC
891003859A	430191590400S1	25	SWNE	21	16S	25E	PGW	UTU0136529	NORTHSTAR GAS COMPANY INC
891003859A	430191590500S1	26	SWSW	20	16S	26E	PGW	UTU025297	NORTHSTAR GAS COMPANY INC
891003859A	430191590600S1	27	NESW	29	16S	26E	PGW	UTU06021	NORTHSTAR GAS COMPANY INC
891003859A	430191590700S1	28	NWNE	29	16S	26E	PGW	UTU05650	NORTHSTAR GAS COMPANY INC
891003859A	430191590800S1	29	NENE	22	16S	25E	PGW	UTU0370A	NORTHSTAR GAS COMPANY INC
891003859A	430191590900S1	30	NWSW	21	16S	26E	PGW	UTU05650	NORTHSTAR GAS COMPANY INC
891003859A	430193052700S1	31	NWNW	22	16S	25E	PGW	UTU0370A	NORTHSTAR GAS COMPANY INC
891003859A	430193052800S1	32	SWSW	14	16S	25E	PGW	UTU05011B	NORTHSTAR GAS COMPANY INC
891003859A	430193060800S1	33	SWSW	25	16S	25E	PGW	UTU0369	NORTHSTAR GAS COMPANY INC
891003859A	430191109000S1	35	SESW	24	16S	25E	PGW	UTU0369	NORTHSTAR GAS COMPANY INC
891003859A	430193125100S1	36-A	SESE	19	16S	26E	PGW	UTU06188	NORTHSTAR GAS COMPANY INC
891003859A	430193125200S1	37	SWNE	20	16S	26E	PGW	UTU05650	NORTHSTAR GAS COMPANY INC
891003859A	430193125300S1	38	NESW	16	16S	25E	PGW	STATE	NORTHSTAR GAS COMPANY INC
891003859A	430191588700S1	4	SESW	30	16S	26E	PGW	UTU06023	NORTHSTAR GAS COMPANY INC
891003859A	430193128900S1	41	NENE	36	16S	25E	PGW	STATE	NORTHSTAR GAS COMPANY INC
891003859A	430193129000S1	42	NESE	30	16S	26E	PGW	UTU06023	NORTHSTAR GAS COMPANY INC
891003859A	430193129100S1	43	NESE	29	16S	26E	PGW	UTU06021	NORTHSTAR GAS COMPANY INC
891003859A	430193130100S1	44	SENE	30	16S	26E	PGW	UTU06023	NORTHSTAR GAS COMPANY INC
891003859A	430193129900S1	45	NWSE	20	16S	26E	PGW	UTU05650	NORTHSTAR GAS COMPANY INC
891003859A	430193131800S1	47	NENE	31	16S	26E	PGW	U06023	NORTHSTAR GAS COMPANY INC
891003859A	430193131600S1	49	NENW	29	16S	26E	PGW	UTU025245	NORTHSTAR GAS COMPANY INC
891003859A	430191589000S1	8	SWSW	16	16S	25E	PGW	STATE	NORTHSTAR GAS COMPANY INC
891003859A	430191589100S1	9	NWNE	27	16S	25E	PGW	UTU0370A	NORTHSTAR GAS COMPANY INC
** INSPECTION ITEM 891003859B SAN ARROYO EN									
891003859B	430191653200S1	1	SENW	26	16S	25E	PGW	UTSL071307	NORTHSTAR GAS COMPANY INC
891003859B	430191588500S1	2	SENW	22	16S	25E	PGW	UTU0370A	NORTHSTAR GAS COMPANY INC
891003859B	430191588600S1	3	SENW	23	16S	25E	GS1	UTU0369	NORTHSTAR GAS COMPANY INC
891003859B	430193125000S1	40	NWNE	27	16S	25E	PGW	UTU0370A	NORTHSTAR GAS COMPANY INC
891003859B	430191588800S1	5	NWSE	25	16S	25E	PGW	UTU0369	NORTHSTAR GAS COMPANY INC
891003859B	430191588900S1	6	SWNE	21	16S	25E	PGW	UTU0136529	NORTHSTAR GAS COMPANY INC

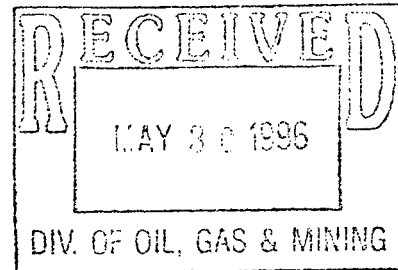


600 Central Park Two / 515 Central Park Drive / Oklahoma City, OK 73105  
Post Office Box 24300 / Oklahoma City, Oklahoma 73124-0300  
405 525-7788 / FAX 405 557-5258

May 21, 1996

Ms. Lisha Cordova  
State of Utah  
Department of Oil, Gas & Mining  
Salt Lake City, Utah 84111-2303

Re: Acquisition of Producing Properties  
and Operatorship from Northstar Resources  
Grand and Uintah Counties, Utah



Dear Ms. Cordova:

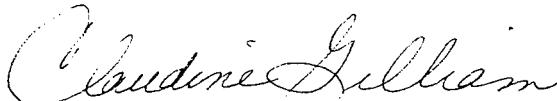
Enogex Exploration Corporation acquired the working interest and operatorship of certain properties in Grand and Uintah Counties, Utah from Northstar Resources, Inc. effective 5/1/96. In this regard we enclose the following for the records:

1. Original Sundry Notices filed in triplicate for each of the wells on the three leases where the State of Utah owns the mineral rights.
2. Three copies each of the Sundry Notices for the 1 Gilbert and the 27-1 which has been approved by the BLM.
3. A copy of the Resignation of Unit Operator and Designation of Successor Unit Operator for the San Arroyo Unit along with approval of same by the BLM.
4. A copy of the Successor Operator of Communitization Agreement NW-115 along with approval of same by the BLM.
5. A list of the wells and locations which Enogex Exploration Corporation acquired from Northstar Resources and will be operating.

Please be advised we provided our State of Utah Blanket Bond in the amount of \$80,000 with our letter dated April 16, 1996, to the School & Institutional Trust Lands Administration

If any thing further is needed, please contact the undersigned at 405 557-5281.

Sincerely,

A handwritten signature in cursive script that reads "Claudine Gilliam". The signature is fluid and elegant, with the first name "Claudine" and last name "Gilliam" clearly distinguishable.

Claudine Gilliam  
Senior Landman



STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

# SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator:

ENOGEX EXPLORATION CORPORATION

3. Address and Telephone Number:

P.O. Box 24300, Oklahoma City, OK 73124-0300 405 557-5281

4. Location of Well

Footages:

CO, Sec., T., R., M.:

5. Lease Designation and Serial Number:

ML-4113

6. If Indian, Allottee or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:

San Arroyo Unit

9. API Well Number:

10. Field and Pool, or Wildcat:

County: Grand

State: Utah

## CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

### NOTICE OF INTENT (Submit in Duplicate)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon                   | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing             | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans           | <input type="checkbox"/> Recomplete           |
| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Reperforate          |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Multiple Completion       | <input type="checkbox"/> Water Shut-Off       |
| <input type="checkbox"/> Other _____               |   |

Approximate date work will start \_\_\_\_\_

### SUBSEQUENT REPORT (Submit Original Form Only)

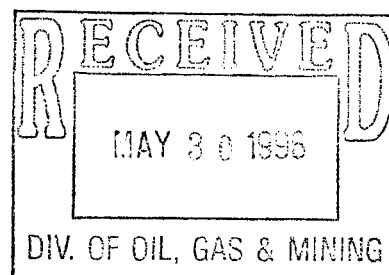
- |   |   |
|---|---|
| <input type="checkbox"/> Abandon                                    | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing                              | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans                            | <input type="checkbox"/> Reperforate          |
| <input type="checkbox"/> Convert to Injection                       | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Fracture Treat or Acidize                  | <input type="checkbox"/> Water Shut-Off       |
| <input checked="" type="checkbox"/> Other <u>Change of Operator</u> |   |

Date of work completion \_\_\_\_\_

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

\* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)



13.

Name & Signature:

*Claudine Gilliam*  
Claudine Gilliam

Title:

Senior Landman

Date:

5/20/96

(This space for State use only)



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
324 South State, Suite 301  
Salt Lake City, Utah 84111-2303

IN REPLY REFER TO:

May 13, 1996

Enogex Exploration Corporation  
P.O. Box 24300  
Oklahoma City, Oklahoma 73124-0300

Re: San Arroyo Unit  
Grand County, Utah

Gentlemen:

On April 29, 1996, we received an indenture dated April 19, 1996, whereby Northstar Gas Company, Inc. resigned as Unit Operator and Enogex Exploration Corporation was designated as Successor Unit Operator for the San Arroyo Unit, Grand County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the San Arroyo Unit Agreement. The instrument is hereby approved effective May 13, 1996.

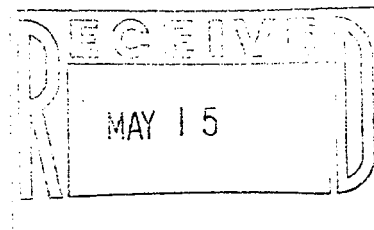
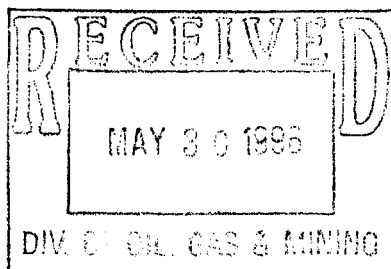
Your statewide (Utah) oil and gas bond No. 1044 will be used to cover all operations within the San Arroyo Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure



RESIGNATION OF UNIT OPERATOR

SAN ARROYO UNIT AREA

COUNTY OF GRAND

STATE OF UTAH

UNIT AGREEMENT NO. 14-08-001-3859

Under and pursuant to the provisions of Section 5 of the Unit Agreement for the Development and Operation of the San Arroyo Unit Area, Grand County, Utah, Northstar Gas Company, Inc., the designated Unit Operator under said Unit Agreement, does hereby resign as Unit Operator, effective upon the selection and approval of a successor Unit Operator.

EXECUTED with effect as aforesaid the 23<sup>rd</sup> day of April, 1996.

ATTEST:

NORTHSTAR GAS COMPANY, INC.

Kath M. McK  
Title Corporate Secretary

By: Kath M. McK  
Title: E. Vice President

RESIGNATION OF UNIT OPERATOR

SAN ARROYO UNIT AREA

COUNTY OF GRAND

STATE OF UTAH

UNIT AGREEMENT NO. 14-08-001-385

THIS INDENTURE, dated as of the 19<sup>th</sup> day of April, 1996, by and between ENOGEX EXPLORATION CORPORATION, hereinafter designated as "First Party", and the owners of the unitized working interests, hereinafter designated as "Second Parties",

Return to:  
Enogex Exploration Corporation  
Post Office Box 24300  
Oklahoma City, OK 73124-0300

W I T N E S S E T H:

WHEREAS, under the provisions of the Act of February 15, 1920, 4 Stat. 437, 30 U.S.C. Sec. 181, et seq., as amended by the Act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior, on the 2nd day of August, 1957, approved a Unit Agreement for the San Arroyo Unit Area, wherein Sinclair Oil Company was designated as Unit Operator, and

WHEREAS, Northstar Gas Company, Inc. by subsequent designation is currently Unit Operator, but has resigned hereby as such Operator and the designation of a successor Unit Operator is now required pursuant to the terms thereof, and

WHEREAS, the First Party has been and hereby is designated by Second Parties as Unit Operator, and said First Party desires to assume all the rights, duties and obligations of Unit Operator under the same Unit Agreement.

NOW, THEREFORE, in consideration of the premises hereinbefore set forth and the premises hereinafter stated, the First Party hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all the terms of the San Arroyo Unit agreements, and the Second Parties covenant and agree that, effective upon approval of this indenture by the chief, Branch of Fluid Minerals, Bureau of Land Management, First Party shall be granted the exclusive privileges as Unit Operator, pursuant to the terms and conditions of said Unit Agreement; said Unit Agreement being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date hereinabove set forth.

ATTEST:

FIRST PARTY

ENOGEX EXPLORATION CORPORATION

BY: John J. Morozuk  
TITLE: SECRETARY

BY: J. O. Edwards, Jr.  
TITLE: J.O. EDWARDS, JR., PRESIDENT

DATE: 4/19/96

ATTEST:

SECOND PARTY

NORTHSTAR GAS COMPANY, INC.

BY: Kenneth M. McKinney  
TITLE: Corporate Secretary

BY: Kenneth M. McKinney  
TITLE: E. Vice President  
DATE: 4/23/96

BOOK CLIFFS OIL & GAS COMPANY

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
DATE: \_\_\_\_\_

NATIONAL FUEL CORPORATION

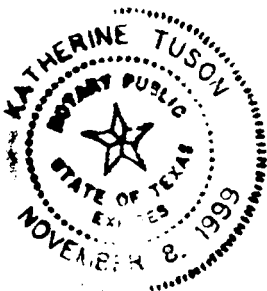
BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
DATE: \_\_\_\_\_

STATE OF TEXAS            )  
                                  ) SS  
COUNTY OF HARRIS        )

This instrument was acknowledged before me on the 23RD day of APRIL, 1996, by Kenneth M. McKinney, as Executive Vice President of NORTHSTAR GAS COMPANY, INC., a Texas Corporation, on behalf of said corporation.

Katherine Tuson  
Notary Public in and for the  
State of TEXAS  
My commission expires 11/8/99



STATE OF OKLAHOMA     )  
                                      )  
COUNTY OF OKLAHOMA    )

This instrument was acknowledged before me on the 19th  
day of April, 1996, by J.O. EDWARDS, as President of  
ENOGEX EXPLORATION CORPORATION, an Oklahoma corporation, on  
behalf of said corporation.

*Laudine Gilliam*  
Notary Public in and for the  
State of Oklahoma  
My Commission expires 4/22/99

STATE OF                         )  
                                      ) SS  
COUNTY OF                     )

The foregoing instrument was acknowledged before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 1996, by \_\_\_\_\_,  
as \_\_\_\_\_ and by \_\_\_\_\_, as Assistant  
Secretary of BOOK CLIFFS OIL & GAS COMPANY, a \_\_\_\_\_  
corporation.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

Place of Residence:

\_\_\_\_\_

STATE OF )  
 ) SS  
COUNTY OF )

The foregoing instrument was acknowledged before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 1996, by \_\_\_\_\_,  
as \_\_\_\_\_, and by \_\_\_\_\_, as  
Assistant Secretary of NATIONAL FUEL CORPORATION, a  
\_\_\_\_\_ corporation.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

Place of Residence:

\_\_\_\_\_

# DOGM SPEED LETTER

To: Ed Bonner

From: Don Staley

School & Institutional Trust

Division of Oil, Gas & Mining

Lands Administration

Subject: Operator Change

## MESSAGE

Date 7/8 19 96

Ed,

For your information, attached are copies of documents regarding an operator change on a state lease(s)

These companies have complied with our requirments. Our records have been updated. Bonding should be reviewed by your agency ASAP.

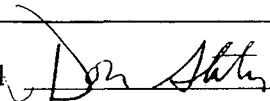
**Former Operator:** Northstar Gas Company Inc (N6680)

**New Operator:** Enogex Exploration Corp (N7430)

Well(s):	API:	Entity:	S-T-R:	Lease:
Arco State 2-1	43-019-30240	00520	2-16S-24E	ML-22208
Arco State 2-2	43-019-30241	00520	2-16S-24E	ML-22208
Arco State 36-7	43-019-31162	09710	36-15.5S-24E	ML-22208
Arco State 36-8	43-019-31192	09710	36-15.5S-24E	ML-22208
Bitter Creek 1	43-019-30047	00515	2-16S-25E	ML-25151
San Arroyo Unit 38	43-019-31253	00500	16-16S-25E	ML-4113
San Arroyo Unit 41	43-019-31289	00500	36-16S-25E	ML-4668

cc: Operator File

Signed



## REPLY

Date \_\_\_\_\_ 19 \_\_\_\_

Signed \_\_\_\_\_



## OPERATOR CHANGE WORKSHEET

Attach all documentation received by the division regarding this change.

Initial each listed item when completed. Write N/A if item is not applicable.

1-LEC	6-LEC
2-GLH/141	7-KDR
3-DPS 255	8-SJ
4-VLD	9-FILE
5-RJF	

- ☒ Change of Operator (well sold)      ☐ Designation of Agent  
☐ Designation of Operator      ☐ Operator Name Change Only

The operator of the well(s) listed below has changed, effective: 5-13-96

**TO: (new operator)** ENOGEX EXPLORATION CORP.  
**(address)** PO BOX 24300  
OKLAHOMA CITY OK 73124-0300

Phone: (405) 525-7788

Account no. N7430

**FROM: (old operator)** NORTHSTAR GAS COMPANY INC  
**(address)** 820 GESSNER #1630  
HOUSTON TX 77024

Phone: (713) 935-9542

Account no. N6680

WELL(S) attach additional page if needed:

\*SAN ARROYO UNIT

Name: <b>**SEE ATTACHED**</b>	API: <u>43-019-31253</u>	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____

## OPERATOR CHANGE DOCUMENTATION

- See 1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). *(Rec'd 5-30-96)*
- See 2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). *(Rec'd 5-30-96)*
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is the company registered with the state? (yes/no) \_\_\_\_\_ If yes, show company file number: \_\_\_\_\_
- See 4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of Federal and Indian well operator changes should ordinarily take place prior to the division's approval, and before the completion of steps 5 through 9 below.
- See 5. Changes have been entered in the Oil and Gas Information System (3270) for each well listed above. *(6-12-96)*
- See 6. Cardex file has been updated for each well listed above. *(6-13-96)*
- See 7. Well file labels have been updated for each well listed above. *(6-13-96)*
- See 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. *(6-12-96)*
- See 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

## ENTITY REVIEW

- Lic 1. (r649-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) (no) If entity assignments were changed, attach copies of Form 6, Entity Action Form.
- N/A 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been notified through normal procedures of entity changes.

## BOND VERIFICATION - (FEE WELLS ONLY) *Trust Lands / \$80,000 "Enerex" on file.*

- Lic 1. (r649-3-1) The NEW operator of any fee lease well listed above has furnished a proper bond.
- N/A 2. A copy of this form has been placed in the new and former operator's bond files.
- N/A 3. The FORMER operator has requested a release of liability from their bond (yes/no) \_\_\_\_\_, as of today's date \_\_\_\_\_. If yes, division response was made to this request by letter dated \_\_\_\_\_.

## LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

- DT 1. Copies of documents have been sent on 7/8/96 to Ed Bonner at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.

## FILMING

- WDR 1. All attachments to this form have been microfilmed. Today's date: July 18, 1996

## FILING

- \_\_\_ 1. Copies of all attachments to this form have been filed in each well file.
- \_\_\_ 2. The original of this form, and the original attachments are now being filed in the Operator Change file.

## COMMENTS

960524 PLM/SL aprv. eH. 5-13-96.

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator:

ENOGEX EXPLORATION CORPORATION

3. Address and Telephone Number:

P.O. BOX 24300, OKLAHOMA CITY, OK 73124 (405) 525-7788

4. Location of Well

Footage: 1879' FNL 1827' FEL

CO, Sec., T., R., M.: SECTION 16-16S-25E

5. Lease Designation and Serial Number:

ML-4113

6. If Indian, Allocated or Tribe Name:

7. Unit Agreement Name:

SAN ARROYO

8. Well Name and Number:

UNIT #38

9. API Well Number:

43-019-31253

10. Field and Pool, or Wildcat:

County: GRAND

State: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT

(Submit in Duplicate)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon                   | <input type="checkbox"/> New Construction       |
| <input type="checkbox"/> Repair Casing             | <input type="checkbox"/> Pull or Alter Casing   |
| <input type="checkbox"/> Change of Plans           | <input type="checkbox"/> Recomplete             |
| <input type="checkbox"/> Convert to Injection      | <input checked="" type="checkbox"/> Reperforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare          |
| <input type="checkbox"/> Multiple Completion       | <input type="checkbox"/> Water Shut-Off         |
| <input type="checkbox"/> Other                     |   |

Approximate date work will start JUNE 9, 1997

SUBSEQUENT REPORT

(Submit Original Form Only)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon                   | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing             | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans           | <input type="checkbox"/> Reperforate          |
| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off       |
| <input type="checkbox"/> Other                     |   |

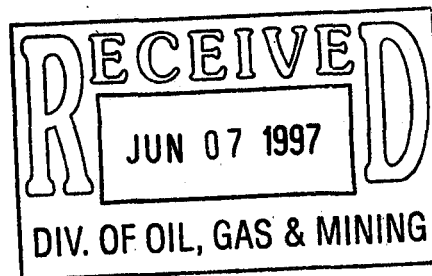
Date of work completion

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

\* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

WE PROPOSE TO ADD ADDITIONAL PERFORATIONS IN THE CEDAR MOUNTAIN AND DAKOTA FORMATIONS AS SPECIFIED IN THE ATTACHED PROCEDURE.



13.

Name & Signature: DANIEL REINEKE

Title: ENGINEER (405) 843-3498 Date: 6-5-97

(This space for State use only)

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY

**SAN ARROYO #38**  
**RECOMPLETION PROCEDURE**

1. Move in and rig up workover rig.
2. If needed, load hole w/ 2% KCl water. Nipple down tree and nipple up BOP's.
3. Pick up tubing and tag bottom. If necessary, TOOH and pick up sand pump. RIH and clean out to 6700'. TOOH, inspect and tally tubing. ND BOP's and NU frac valve.
4. MIRU wireline unit. RIH with CBL/GR and log to top of cement. RIH and set retrievable bridge plug at +/-6400'. Dump 2 Sx sand on top. Load hole with 2% KCl water and test casing to 3500 psi. RIH with 3 3/8" Hollow Carrier Casing Gun. Tie in with DIL/SFL and FDC/CNT openhole logs dated 1/30/88. Perforate Cedar Mountain formation at 90 Deg phasing as follows and TOOH.

6206'-6210'	9 Holes	2 SPF
6238'-6246'	9 Holes	1 SPF

5. MIRU frac equipment. Test lines to 5000 psi. Frac perforated zones with 1000 gals 15% HCl acid with additives followed by 26,000 gals 70% Quality N2 foam with 29,000 lbs. 20/40 sand down casing as follows.

10,000 gals 70% Foam Pad  
4000 gals 70% Foam w/ 1/2 ppg sand  
4000 gals 70% Foam w/ 1 ppg sand  
3000 gals 70% Foam w/ 2 ppg sand  
3000 gals 70% Foam w/ 3 ppg sand  
2000 gals 70% Foam w/ 4 ppg sand  
4050 gals Slickwater Flush

6. Flow back immediately for forced closure.

7. RIH and set retrievable bridge plug at 6150'. Dump 2 Sx sand on top. Load hole with 2% KCl water and test casing to 3500 psi. RIH with 3 3/8" Hollow Carrier Casing Gun. Tie in with DIL/SFL and FDC/CNT openhole logs dated 1/30/88. Perforate Lower and Upper Dakota formations at 90 Deg phasing as follows. TOOH, RDMO WLU.

6007'-6030'	24 Holes	1 SPF
6076'-6084'	17 Holes	2 SPF
6090'-6094'	9 Holes	2 SPF

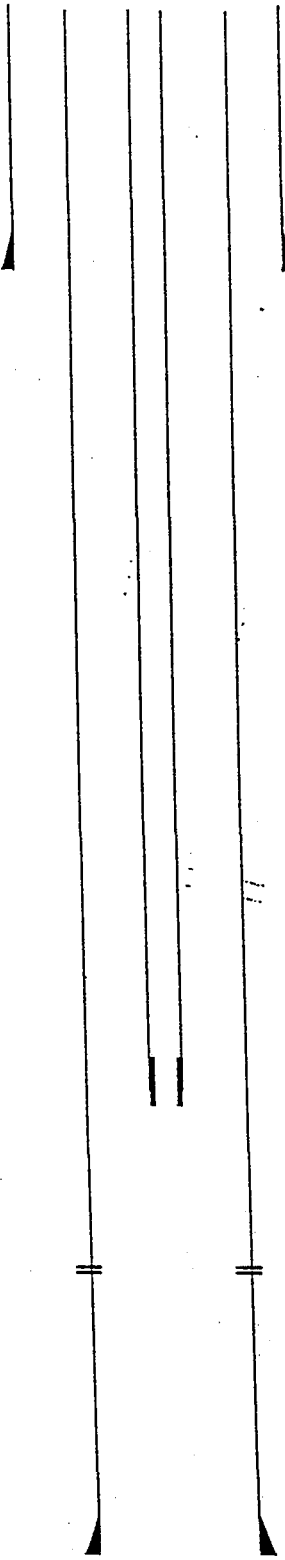
8. MIRU frac equipment. Test lines to 5000 psi. Frac perforated zones with 2000 gals 15% HCl acid with additives followed by 37,000 gals 75 Quality N2 foam with 70,000 lbs 20/40 sand down casing as follows.

12,000 gals 70% Foam Pad  
4000 gals 70% Foam w/ 1/2 ppg sand  
3000 gals 70% Foam w/ 1 ppg sand  
4000 gals 70% Foam w/ 2 ppg sand  
4000 gals 70% Foam w/ 3 ppg sand  
5000 gals 70% Foam w/ 4 ppg sand  
5000 gals 70% Foam w/ 5 ppg sand  
3921 gals Slickwater Flush

9. Flow back well immediately for forced closure. ND frac valve and NU BOP's.
10. M/U 1.875" seat nipple and retrievable packer. TIH on 2 3/8" tubing to +/- 5980' and set packer. Flow back and test well.
11. If needed, load hole with 2% KCl. Unset packer and TOOH. Lay down packer. RIH and retrieve RBP's at +/-6150' and +/-6400'. Clean out well to +/-6700'.
12. TIH with seat nipple and hang off tubing at +/-6000'.
13. Swab well in and put well back on production. RDMO workover rig.

SAN ARROYO #38  
SEC. 16-T16S-R25E  
GRAND COUNTY, UTAH

ELEVATION : 7636' GL  
TD : 7053'



9 5/8" 43.5# N80 LTC CSG SET @ 366'  
CEMENTED W/ 200 SX CLASS H

2 3/8" 4.7# J55 EUE TBG W/ S.N. SET @ 6020'

MORRISON PERFS 2/27/88  
6461'-67', 6526'-27', 6533'-39',  
6549'-50' & 6563'-67'

ACIDIZED W/ 1500 GALS 7 1/2% HCl  
FRAC'D W/ 84,500 GALS 75Q FOAM W/ 21,000 LBS 100  
MESH & 77,000 LB 20/40 SD W/ 2,200,000 SCF N2

PBTD 6964'

4 1/2" 11.6# N80 LTC CSG SET @ 7001'  
CEMENTED W/ 310 SX POZMIX

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

ENOGEX EXPLORATION CORPORATION

3. Address and Telephone No.

P.O. BOX 24300, OKLAHOMA CITY, OK 73124 (405) 525-7788

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1879' FNL, 1827' FEL SECTION 16-T16S-R25E

5. Lease Designation and Serial No.

ML - 4113

6. If Indian, Allottee or Tribe Name

7. If Unit or C.A. Agreement Designation

SAN ARROYO

8. Well Name and No.

UNIT #38

9. API Well No.

43-019-31253

10. Field and Pool, or Exploratory Area

11. County or Parish, State

GRAND, UTAH

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent  
☒ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

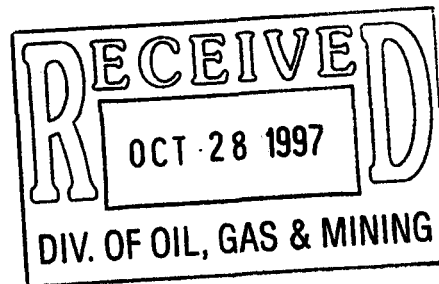
- ☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☒ Other ADD PERFORATIONS

- ☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

ADDED ADDITIONAL CEDAR MOUNTAIN PERFORATIONS FROM 6206' - 6246', AND FRAC. ADD ADDITIONAL DAKOTA PERFORATIONS FROM 6007' - 6090', AND FRAC. PRODUCE ALL FORMATIONS TOGETHER.



14. I hereby certify that the foregoing is true and correct

Signed [Signature]

Title DANIEL T. REINEKE

Date 7-31-97

(This space for Federal or State office use)

ACCEPTED

SECTION OF FLUID MINERALS

Title Moab District

Date

Approved by  
Conditions of approval, if any:

PAGE 3

**SAN ARROYO #38  
RECOMPLETION REPORT**

JUNE 18      FINISH TRIP OUT OF HOLE. DID NOT HAVE BRIDGE PLUG. TRIP IN HOLE WITH HYDROSTATIC BAILER AND RETRIEVEING TOOL. LATCH ON TO BRIDGE PLUG AND MOVE IT 50 FT DOWN HOLE. TRIP OUT OF HOLE AND LAY DOWN BRIDGE PLUG. TRIP IN HOLE WITH HYDROSTATIC BAILER AND RETRIEVEING TOOL. CLEAN SAND OFF BRIDGE PLUG AT 6270 FT. LATCH ONTO BRIDGE PLUG AND TRIP OUT OF HOLE. 250 PSI ON CASING AFTER LAYING DOWN BRIDGE PLUG. SHUT WELL IN OVER NIGHT.

DC \$3,987      CC \$120,698

JUNE 19      SICP 500 PSI. BLOW WELL DOWN AND PUMP 25 BBLS OF WATER DOWN CASING. TRIP IN HOLE WITH 2 3/8" TUBING AND TAG BOTTOM AT 6612 FT. PULL UP TO 6358 FT. AND HANG OFF TUBING. NIPPLE DOWN BOP AND NIPPLE UP WELLHEAD. SWAB 20 BBLS OF WATER. FLOWED WELL TO PIT. TURNED WELL DOWN SALES LINE AT 10 PM. FTP 105 PSI. CP 480 PSI. RATE 200 MCFPD.

DC \$1,807      CC \$122,505

JUNE 20      FTP 400 PSI. CP 420 PSI. SELLING GAS AT THE RATE OF 500 MCFPD. RECOVERED APPROXIMATELY 4 BBLS OF WATER.

JUNE 21      FTP 300 PSI. CP 380 PSI. 485 MCFPD. NO WATER

JUNE 22      FTP 300 PSI. CP 380 PSI. 485 MCFPD. NO WATER



PAGE 2

**SAN ARROYO #38  
RECOMPLETION REPORT**

FLOWLINE. START FLOWING WELL. OPEN WELL ON 10/64 CHOKE.  
FTP 1300 PSI. FLOWED WELL OVERNIGHT.

DC \$50,264 CC \$106,537

JUNE 15 FTP 290 PSI ON 10/64 CHOKE. RECOVERED 98 BBLS OF LOAD IN 18 HOURS. CONTINUED TO FLOW WELL. WELL STOPPED MAKING FLUID. GRADUALLY OPENED WELL TO 1 IN CHOKE BY 5 PM. CONTINUED TO FLOW WELL OVERNIGHT.

DC \$3,197 CC \$109,734

JUNE 16 FTP 0 PSI. RECOVERED 140 BBLS OF TOTAL LOAD. 270 BBLS LEFT TO RECOVER. PICK UP OVERSHOT AND HYDROSTATIC BAILER. TRIP IN HOLE. TAG SAND AT 6070 FT. BAIL SAND TO TOP OF FISH AT 6082 FT. LATCH ONTO FISH AND TRIP OUT OF HOLE.

DC \$3,097 CC \$112,831

JUNE 17 TRIP IN HOLE WITH RETRIEVING TOOL AND PUMP BAILER. TAG SAND AT 6102 FT. WORK BAILER DOWN TO BRIDGE PLUG AT 6120 FT. SET DOWN ON PLUG AND OPEN BYPASS. TRIP OUT OF HOLE. DID NOT HAVE BRIDGE PLUG. TRIP IN HOLE WITH NEW RETRIEVING TOOL AND BAILER. WELL STARTED FLOWING STRONGER. TAGGED SAND AT 6095 FT. WORK BAILER AND RETRIEVING TOOL TO 6120 FT. ATTEMPTED TO LATCH ONTO BRIDGE PLUG. WELL STARTED FLOWING STRONGER UP ANNULUS. APPEARS THAT SAND IS ENTERING THE WELLBORE. PULL 20 STANDS AND SHUT DOWN.

DC \$3,879 CC \$116,710

**SAN ARROYO #38  
RECOMPLETION REPORT** *no*

JUNE 12 MOVE IN AND RIG UP COLORADO WELL SERVICE. NIPPLE DOWN TREE AND NIPPLE UP BOP. TRIP OUT OF HOLE WITH TUBING. PULLED 209 JOINTS. RAN BOND LOG FROM 6300 TO 5300 FT. EXCELLENT BOND. SET RETRIEVABLE BRIDGE PLUG AT 6270 FT. LOAD HOLE AND PRESSURE TEST TO 3,000 PSI. HELD OK. SHUT DOWN OVERNIGHT.

DC \$ 7,298 CC \$7,298

JUNE 13 THE WEATHER ON THE MOUNTAIN WAS RAIN, SOME BJ SERVICES TRUCKS COULD NOT GET UP ROAD. PULLED TRUCKS TO LOCATION. GO IN HOLE WITH DUMP BAILER AND DUMP 5 FT OF SAND ON TOP OF BRIDGE PLUG. GO IN HOLE AND PERFORATE CEDAR MOUNTAIN FORMATION FROM 6206 - 6210 AND 6238 - 6246 WITH 18 HOLES. RIG UP BJ SERVICES AND FRAC CEDAR MOUNTAIN WITH 1000 GAL OF 15% HCL, 325 BBLs OF VIKING I-35 FLUID, 29,000 LBS OF 20/40 SAND AND 715,000 SCF OF NITROGEN. ATP 3500 PSI. ATR 20 BPM OF 70 QUALITY FOAM. ISIP 1900 PSI 15 MIN 1540 PSI. SHUT WELL IN. RIG UP WIRELINE AND LUBRICATE RETRIEVABLE BRIDGE IN HOLE. SET BRIDGE PLUG AT 6120 FT. PULL OUT OF HOLE. CLOSE FRAC VALVE AND RIG DOWN LUBRICATOR. OPEN FRAC VALVE AND BLEED OFF PRESSURE. BRIDGE PLUG HELD. GO IN HOLE WITH DUMP BAILER AND DUMP 5 FT OF SAND ON TOP OF BRIDGE PLUG. PULL BAILER TO SURFACE AND HAD PRESSURE ON WELLHEAD. COULD NOT BLEED OFF PRESSURE. COULD NOT CLOSE FRAC VALVE BECAUSE BAILER WAS ACROSS VALVE. PULL OUT OF ROPE SOCKET AND LET BAILER FALL TO BOTTOM. CLOSE FRAC VALVE. RIG UP PRESSURE INDICATOR. WELL HAD 340 PSI CASING PRESSURE. OPEN WELL TO PIT AND BLEW DOWN NITROGEN. WELL PRESSURE TO 0 PSI IN 5 MIN. SHUT DOWN FOR NIGHT.

DC \$48,975 CC \$56,273

JUNE 14 SICP 90 PSI. BLEED TO 0 IN 30 SECONDS. WELL DEAD. GO IN HOLE WITH PERFORATING GUN. TAGGED TOP OF BAILER AT 6083 FT. PERFORATE DAKOTA FORMATION FROM 6078 - 6082, 6077 - 6069, AND 6007 - 6030 WITH 50 HOLES. PULL OUT OF HOLE. SICP 0 PSI. RIG DOWN WIRELINE. RIG UP BJ SERVICES AND FRAC DAKOTA FORMATION WITH 2000 GAL OF 15% HCL, 362 BBLs OF VIKING I-35 FLUID, 76,030 LBS OF SAND AND 1,042,000 SCF OF NITROGEN. ATP 3700 PSI. ATR 23 BPM OF 70 QUALITY FOAM. ISIP 2400 PSI, 15 MIN 1990 PSI. SHUT WELL IN. RIG DOWN BJ SERVICES. RIG UP

Form 3160-5  
(June 1990)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.

## SUBMIT IN TRIPLICATE

## 1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

## 2. Name of Operator

ENOGEX EXPLORATION CORPORATION

## 3. Address and Telephone No.

P.O. BOX 24300, OKLAHOMA CITY, OK 73124 (405) 525-7788

## 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1879' ENL, 1827' FEL SECTION 16-T16S-R25E

## 5. Lease Designation and Serial No.

ML - 4113

## 6. If Indian, Allottee or Tribe Name

## 7. If Unit or CA, Agreement Designation

SAN ARROYO

## 8. Well Name and No.

UNIT #38

## 9. API Well No.

43-019-31253

## 10. Field and Pool, or Exploratory Area

## 11. County or Parish, State

GRAND, UTAH

## 12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

## TYPE OF SUBMISSION

- ☒
- Notice of Intent
- 
- ☐
- Subsequent Report
- 
- ☐
- Final Abandonment Notice

## TYPE OF ACTION

- ☐
- Abandonment
- 
- ☐
- Recompletion
- 
- ☐
- Plugging Back
- 
- ☐
- Casing Repair
- 
- ☐
- Altering Casing
- 
- ☒
- Other ADDING ADDITIONAL PERFORATIONS

- ☐
- Change of Plans
- 
- ☐
- New Construction
- 
- ☐
- Non-Routine Fracturing
- 
- ☐
- Water Shut-Off
- 
- ☐
- Conversion to Injection
- 
- ☐
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

WE PROPOSE TO ADD ADDITIONAL PERFORATIONS IN THE CEDAR MOUNTAIN AND DAKOTA FORMATIONS AS SPECIFIED IN THE ATTACHED PROCEDURE.

14. I hereby certify that the foregoing is true and correct.

Signed

DANIEL T. REINEKE

Title ENGINEER (405) 843-3498

Date

5-19-97

(This space for Federal or State office use)

ACCEPTED

Approved by  
Conditions of approval, if any:

Title

Branch of Fluid Minerals  
North District

Date

JUN 2 1997



Utah Department of Commerce  
Division of Corporations & Commercial Code  
160 East 300 South, 2nd Floor, Box 146705  
Salt Lake City, UT 84114-6705  
Service Center: (801) 530-4849  
Toll Free: (877) 526-3994 Utah Residents  
Fax: (801) 530-6438  
Web site: <http://www.commerce.state.ut.us>

CRESCENDO ENERGY, LLC


August 4, 2000

## CERTIFICATE OF EXISTENCE

Registration Number: PENDING  
Business Name: CRESCENDO ENERGY, LLC  
Registered Date: JULY 13, 2000  
Foreign or Domestic: FOREIGN  
Current Status: GOOD STANDING

The Division of Corporations and Commercial Code of the State of Utah, custodian of the records of business registrations, certifies that the business entity on this certificate is authorized to transact business and was duly registered under the laws of the State of Utah.



  
Lorena Riffó-Jenson  
Division Director of  
Corporations and Commercial Code

Dept. of Professional Licensing  
(801)530-6628

Real Estate  
(801)530-6747

Public Utilities  
(801)530-6651

Securities  
(801)530-6600

Consumer Protection  
(801)530-6601

RESIGNATION OF UNIT OPERATOR

San Arroyo Unit Area

County of


State of Utah

Unit Agreement No. 14-08-001-3859

Under and pursuant to the provisions of Section 5 of the Unit Agreement for the Development and Operation of the San Arroyo Unit Area, Grand County, Utah, Enogex Exploration Corporation, the designated Unit Operator under said Unit Agreement, does hereby resign as Unit Operator, effective upon the selection and approval of a successor Unit Operator.

EXECUTED with effect as aforesaid the 30th day of June, 2000.

ENOGEX EXPLORATION CORPORATION

By  18

Name: Dennis F. Jaggi

Title: Vice President

DESIGNATION OF  
SUCCESSOR UNIT OPERATOR

San Arroyo Unit Area

County of

State of Utah

Unit Agreement No. 14-08-001-3859

THIS INDENTURE, dated as of the 30th day of June, 2000, by and between Crescendo Energy, L.L.C., hereinafter designated as "First Party", and the owners of unitized working interests, hereinafter designated as "Second Parties",

WITNESSETH:

WHEREAS, under the provisions of the Act of February 25, 1920, 41 Stat. 437, 30 U.S.C. Secs. 181, et seq., as amended by the Act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior, on the 2nd day of August, 1957, approved a Unit Agreement for the San Arroyo Unit Area, wherein Sinclair Oil Company was designated as Unit Operator, and

WHEREAS Enogex Exploration Corporation by subsequent designation is currently Unit Operator, but has resigned as such Operator and the designation of a successor Unit Operator is now required pursuant to the terms thereon; and

WHEREAS the First Party has been and hereby is designated by Second Parties as Unit Operator, and said First Party desires to assume all the rights, duties and obligations of Unit Operator under the said Unit Agreement:

NOW, THEREFORE, in consideration of the premises hereinbefore set forth and the promises hereinafter stated, the First party hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all the terms of the San Arroyo Unit Agreements, and the Second Parties covenant and agree that, effective upon approval of this indenture by the Chief, Branch of Fluid Minerals, Bureau of Land Management, First Party shall be granted the exclusive right and privilege of exercising any and all rights and privileges as Unit Operator, pursuant to the terms and conditions of said Unit Agreement; said unit Agreement being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date hereinabove set forth.

FIRST PARTY:

CRESCENDO ENERGY, L.L.C.

BY: CRESCENDO ENERGY PARTNERS, LLC, its managing member.

By: James J. Osborne

Title: VICE PRESIDENT

SECOND PARTIES:

ENOGEX EXPLORATION CORPORATION

By: Dennis F. Jaggi RF  
Name: Dennis F. Jaggi  
Title: Vice-President

Execution Date: 7/10/00

BOOK CLIFFS OIL & GAS COMPANY

By: D. L. Catt  
Name: D. L. Catt  
Title: Vice President  
Execution Date: 7-18-00

NATIONAL FUEL CORPORATION

By: J.C. Thompson  
Name: J.C. THOMPSON  
Chairman  
Title: \_\_\_\_\_  
Execution Date: 8/7/00

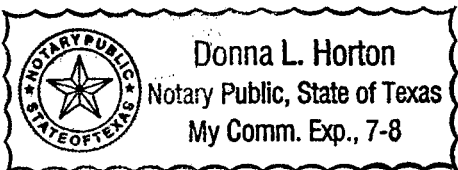
CORPORATE ACKNOWLEDGEMENT

Edith  
STATE OF ~~TEXAS~~ )

COUNTY OF Sonoma ) SS

Donna L. Horton This instrument was acknowledged before me on the 10 day of August, 2000, by Donna L. Horton, as Vice President of Crescendo Energy, L.L.C., on behalf of said corporation.

WITNESS my hand and official seal.



Donna L. Horton  
Notary Public in and for the  
State of Texas

My commission expires 7/8/02

CORPORATE ACKNOWLEDGEMENT

STATE OF OKLAHOMA )

COUNTY OF OKLAHOMA ) SS

This instrument was acknowledged before me on the 10<sup>th</sup> day of July, 2000, by Dennis F. Jaggi, as Vice-President of Enogex Exploration Corporation, on behalf of said corporation.

WITNESS my hand and official seal.

[Signature]  
Notary Public in and for the State of Oklahoma

My commission expires 8/21/01

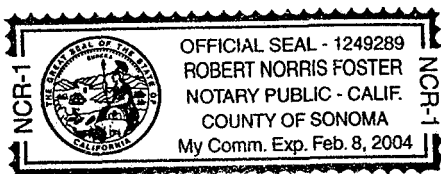


CORPORATE ACKNOWLEDGEMENT

STATE OF Calif )  
 ) SS  
COUNTY OF Sonoma )

This instrument was acknowledged before me on the 18 day of July, 2000, by D L Catt, as Vice Pres of Book Cliffs Oil & Gas Company, on behalf of said corporation.

WITNESS my hand and official seal.



Robert Foster  
Notary Public in and for the State of Oklahoma

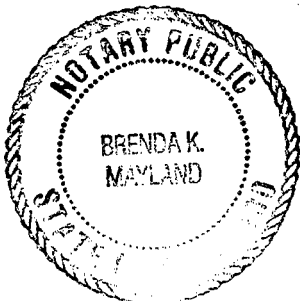
My commission expires 2/8/04

CORPORATE ACKNOWLEDGEMENT

STATE OF Colorado )  
 ) SS  
COUNTY OF Arapahoe )

This instrument was acknowledged before me on the 7 day of August, 2000, by JE Thompson, as Chairman of National Fuel Corporation, on behalf of said corporation.

WITNESS my hand and official seal.



Brenda K Mayland  
Notary Public in and for the State of ~~Oklahoma~~ Colorado

My commission expires 4-13-01



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

# RECEIVED

AUG 21 2000

DIVISION OF  
OIL, GAS AND MINING

N REPLY REFER TO  
UT-931

August 17, 2000

Crescendo Energy, LLC  
c/o Pruitt, Gushee & Bachtell  
Attn: William E. Ward  
Suite 1850 Beneficial Life Tower  
Salt Lake City, Utah 84111-1495

Re: San Arroyo Unit  
Grand County, Utah

Gentlemen:

On August 14, 2000, we received an indenture dated June 30, 2000, whereby Enogex Exploration Corporation resigned as Unit Operator and Crescendo Energy, LLC was designated as Successor Unit Operator for the San Arroyo Unit, Grand County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective August 17, 2000.

Your statewide (Utah) oil and gas bond No. 1184 will be used to cover all operations within the San Arroyo Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Moab (w/enclosure)  
Division of Oil, Gas & Mining  
Minerals Adjudication Group U-932  
File - San Arroyo Unit (w/enclosure)  
MMS - Data Management Division  
Agr. Sec. Chron  
Fluid Chron  
UT931:TAThompson:tt:8/17/00

Well Status Report  
Utah State Office  
Bureau of Land Management

Lease	Api Number	Well Name	QTR	Section	Township	Range	Well Status	Operator
** Inspection Item: 891003859A								
UTU025297	4301915905	1 (26) FEDERAL-GRAND	SWSW	20	T16S	R26E	PGW	ENOGEX EXPLORATION CORPORATION
UTU05059C	4301915892	11 SAN ARROYO UNIT	NESW	15	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTSL071307	4301915893	12 SAN ARROYO UNIT	SWSW	23	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTU0370A	4301915894	13 SAN ARROYO UNIT	SWSW	22	T16S	R25E	GSI	ENOGEX EXPLORATION CORPORATION
STATE	<del>4301915895</del>	<del>14 SAN ARROYO UNIT</del>	<del>SWNE</del>	<del>16</del>	<del>T16S</del>	<del>R25E</del>	<del>PAA</del>	ENOGEX EXPLORATION CORPORATION
UTU0136529	4301911091	15 (34-A) SAN ARROYO	NESW	21	T16S	R25E	ABD	ENOGEX EXPLORATION CORPORATION
UTU0369	4301915896	16 SAN ARROYO UNIT	SESW	26	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTU025243	4301915897	17 SAN ARROYO UNIT	NENE	24	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTU06023	4301915898	18 SAN ARROYO UNIT	NWNW	30	T16S	R26E	PGW	ENOGEX EXPLORATION CORPORATION
UTU05011B	4301915899	19 SAN ARROYO	SWSE	14	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTSL071307	4301915900	20 SAN ARROYO	SENE	26	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTU0369	4301915901	21 SAN ARROYO	NWSE	25	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTU05011A	4301915902	22 SAN ARROYO	NENE	15	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTU06188	4301915903	24 SAN ARROYO UNIT	SENW	19	T16S	R26E	PGW	ENOGEX EXPLORATION CORPORATION
UTU0136529	4301915904	25 SAN ARROYO	SWNE	21	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTU06021	4301915906	27 SAN ARROYO	NESW	29	T16S	R26E	PGW	ENOGEX EXPLORATION CORPORATION
UTU05650	4301915907	28 FEDERAL	NWNE	29	T16S	R26E	PGW	ENOGEX EXPLORATION CORPORATION
UTU0370A	4301915908	29 SAN ARROYO UNIT	NENE	22	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTU0369	4301915886	3 UNIT	SENW	23	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTU05650	4301915909	30 SAN ARROYO UNIT	NWSW	21	T16S	R26E	PGW	ENOGEX EXPLORATION CORPORATION
UTU0370A	4301930527	31 SAN ARROYO UNIT	NWNW	22	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTU05011B	4301930528	32 SAN ARROYO UNIT	SWSW	14	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTU0369	4301930608	33 SAN ARROYO UNIT	SWSW	25	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTU06188	4301931251	36-A SAN ARROYO UNIT	SESE	19	T16S	R26E	PGW	ENOGEX EXPLORATION CORPORATION
UTU05650	4301931252	37 SAN ARROYO UNIT	SWNE	20	T16S	R26E	PGW	ENOGEX EXPLORATION CORPORATION
STATE	4301931253	38 SAN ARROYO UNIT	SWNE	16	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTU06023	4301915887	4 GOVT-SAN ARROYO	SESW	30	T16S	R26E	PGW	ENOGEX EXPLORATION CORPORATION
STATE	4301931289	41 SAN ARROYO UNIT	NENE	36	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTU06023	4301931290	42 SAN ARROYO UNIT	NESE	30	T16S	R26E	PGW	ENOGEX EXPLORATION CORPORATION
UTU06021	4301931291	43 SAN ARROYO UNIT	NESE	29	T16S	R26E	PGW	ENOGEX EXPLORATION CORPORATION
UTU06023	4301931301	44 SAN ARROYO	SENE	30	T16S	R26E	PGW	ENOGEX EXPLORATION CORPORATION
UTU05650	4301931299	45 SAN ARROYO	NWSE	20	T16S	R26E	PGW	ENOGEX EXPLORATION CORPORATION
UTU06023	4301931318	47 FEDERAL	NWNE	31	T16S	R26E	PGW	ENOGEX EXPLORATION CORPORATION
UTU025245	4301931316	49 FEDERAL	NENW	29	T16S	R26E	PGW	ENOGEX EXPLORATION CORPORATION
UTU0369	4301911090	7 (35) SAN ARROYO	SESW	24	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
STATE	4301915890	8 SAN ARROYO UNIT	SWSW	16	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION
UTU0370A	4301915891	9 SAN ARROYO UNIT	NWNE	27	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION

** Inspection Item: 891003859B								
UTSL071307	4301916532	1 GOVT SAN ARROYO	SENW	26	T16S	R25E	GSI	ENOGEX EXPLORATION CORPORATION
UTU0370A	4301915885	2 UNIT	SENW	22	T16S	R25E	GSI	ENOGEX EXPLORATION CORPORATION
UTU0370A	4301931250	40 SAN ARROYO UNIT	NWNE	27	T16S	R25E	TA	ENOGEX EXPLORATION CORPORATION
UTU0369	4301915888	5 SAN ARROYO UNIT	NWSE	25	T16S	R25E	GSI	ENOGEX EXPLORATION CORPORATION
UTU0136529	4301915889	6 SAN ARROYO UNIT	SWNE	21	T16S	R25E	PGW	ENOGEX EXPLORATION CORPORATION

# Crescendo Energy, LLC

P.O. Box 1814  
Midland, TX 79702  
Phone: 915-697-7221  
Fax: 915-697-7289

August 23, 2000

Attn: Mr. Jim Thompson  
Utah Division of Oil, Gas & Mining  
1594 W North Temple  
Salt Lake City, Utah 84114-5801

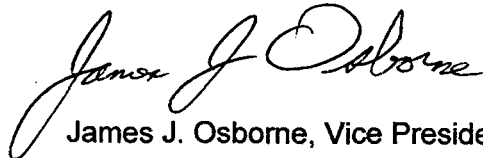
Re: Change of Operator

Dear Mr. Thompson:

The attached list of properties was formerly owned and operated by Enogex Exploration Corporation. Crescendo Energy, LLC has purchased the properties and has taken over operations. If you have any questions, please feel free to contact me at the phone number listed above.


Sincerely yours,  
Crescendo Energy, LLC

By: Crescendo Energy Partners, LLC, its  
Managing Member

  
James J. Osborne, Vice President

Confirmation by Previous Operator:

Enogex Exploration Corporation

By:   
Name (Print): CHRIS J. HAUGEN  
Title: Manager, E&P

jjo  
Attachment

**OPERATOR CHANGE WORKSHEET****ROUTING**

1. GLH		4-KAS
2. CDW		5- <del>FILE</del>
3. JLT		6-FILE

Enter date after each listed item is completed

**X Change of Operator (Well Sold)**

Designation of Agent

Operator Name Change (Only)

Merger

The operator of the well(s) listed below has changed, effective:

**06-30-2000****FROM:** (Old Operator):

ENOGEX EXPLORATION CORPORATION

Address: P. O. BOX 24300

OKLAHOMA CITY, OK 73124-0300

Phone: 1-(405)-525-7788

Account No. N7430

**TO:** ( New Operator):

CRESCENDO ENERGY PARTNERS LLC

Address: P. O. BOX 1814

MIDLAND, TX 79702

Phone: 1-(915)-697-7221

Account N1365

**CA No.****Unit: SAN ARROYO****WELL(S)**

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
SAN ARROYO # 38	43-019-31253	500	16-16S-25E	STATE	GW	P
SAN ARROYO # 6	43-019-15889	505	21-16S-25E	FEDERAL	GW	S
SAN ARROYO # 2	43-019-15885	505	22-16S-25E	FEDERAL	GW	P
SAN ARROYO # 35	43-019-11090	500	24-16S-25E	FEDERAL	GW	P
SAN ARROYO # 5	43-019-15888	505	25-16S-25E	FEDERAL	GW	S
SAN ARROYO # 33	43-019-30608	500	25-16S-25E	FEDERAL	GW	S
SAN ARROYO # 1	43-019-16532	505	26-16S-25E	FEDERAL	GW	P
SAN ARROYO # 40	43-019-31250	505	27-16S-25E	FEDERAL	GW	S
SAN ARROYO # 36A	43-019-31251	500	19-16S-26E	FEDERAL	GW	P
SAN ARROYO # 37	43-019-31252	500	20-16S-26E	FEDERAL	GW	P
SAN ARROYO # 45	43-019-31299	500	20-16S-26E	FEDERAL	GW	P
SAN ARROYO # 43	43-019-31291	500	29-16S-26E	FEDERAL	GW	P
SAN ARROYO # 49	43-019-31316	500	29-16S-26E	FEDERAL	GW	P
SAN ARROYO # 42	43-019-31290	500	30-16S-26E	FEDERAL	GW	P
SAN ARROYO # 44	43-019-31301	500	30-16S-26E	FEDERAL	GW	P
SAN ARROYO # 47	43-019-31318	500	31-16S-26E	FEDERAL	GW	P
SAN ARROYO # 41	43-019-31289	500	36-16S-25E	STATE	GW	P

**OPERATOR CHANGES DOCUMENTATION**1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on:08/23/20002. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on:08/23/2000

3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 10/19/2000
4. Is the new operator registered in the State of Utah: YES Business Number: 4549132-0143
5. If **NO**, the operator was contacted on: \_\_\_\_\_
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 08/17/2000
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 08/17/2000
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: N/A
9. **Underground Injection Control ("UIC") Proj:** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

---

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 10/19/2000
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 10/19/2000
3. Bond information entered in RBDMS on: \_\_\_\_\_
4. Fee wells attached to bond in RBDMS on: \_\_\_\_\_

---

**STATE BOND VERIFICATION:**

1. State well(s) covered by Bond No.: 437484

---

**FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

---

**FILMING:**

1. All attachments to this form have been **MICROFILMED** on: 3.5.01

---

**FILING:**

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filled in each well file on: \_\_\_\_\_

---

**COMMENTS:**

---

---

---

---

---

---

---

---

---

---

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>State ML-4113</b>
2. NAME OF OPERATOR: <b>Crescendo Energy Partners, LLC</b>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 1814 CITY <b>Midland</b> STATE <b>TX</b> ZIP <b>79702</b>		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1879 FNL 1827 FEL</b>		8. WELL NAME and NUMBER: <b>San Arroyo Unit 38</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWNE 16 16S 25E</b>		9. API NUMBER: <b>4301931253</b>
COUNTY: <b>Grand</b>		10. FIELD AND POOL, OR WILDCAT: <b>San Arroyo Field</b>
STATE: <b>UTAH</b>		

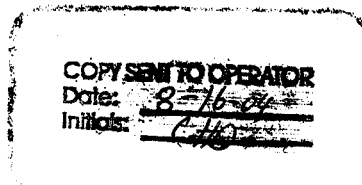
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <b>8/16/2004</b>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input checked="" type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>Pit closure</b>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<b>Tank installation</b>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Existing pit will be closed and a tank will be installed to contain produced water. Produced water will be hauled and disposed of at the Black Mtn Facility in Mesa County, Colorado.

Existing pit will be excavated and the material landfarmed on the pad. Pre and post remediation samples will be collected to document remediation of affected soils. Following remediation, the soils will be spread across the surface of the pad or hauled to an appropriate disposal facility as necessary.

Pad material will be used to backfill the pit and a 70 barrel tank will be connected to the production works to collect produced water. The tank will be set on the existing pad location. All facilities will be painted green to match the surrounding vegetation. A soil berm will be constructed around the tank to contain any produced water spills.



RECEIVED  
AUG 06 2004  
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <b>Sean T. Norris</b>	TITLE <b>Senior Project Geologist</b>
SIGNATURE <i>Sean T. Norris</i>	DATE <b>8/3/2004</b>

(This space for State use only)

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING  
DATE: **8/11/04**  
BY: *[Signature]*  
(See Instructions on Reverse Side)

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	5. LEASE DESIGNATION AND SERIAL NUMBER: See attached
2. NAME OF OPERATOR: Slate River Resources, LLC <i>N2725</i>	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 418 Main Street, Ste. 18 CITY Vernal STATE UT ZIP 84078	7. UNIT or CA AGREEMENT NAME: San Arroyo Unit and other wells
4. LOCATION OF WELL FOOTAGES AT SURFACE: See attached schedule of wells	8. WELL NAME and NUMBER: See attached
PHONE NUMBER: (435) 781-1870	9. API NUMBER: See attach
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:	10. FIELD AND POOL, OR WILDCAT: See attached

COUNTY: Grand

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Crescendo Energy, LLC is a wholly owned subsidiary of Slate River Resources, LLC. All the wells, properties and leasehold interest of Crescendo Energy, LLC has been assigned to Slate River Resources, LLC. We request a change of Operator from Crescendo Energy, LLC to Slate River Resources, LLC on the wells listed on the attached schedule, including a change of Operator of the San Arroyo Unit Area effective November 1, 2005.

The Bond numbers for Slate River Resources, LLC are:

State of Utah DOGM Bond B001556 \$120,000

State of Utah Bond of Lessee B001760 \$ 15,000 being transferred from Crescendo to Slate River Resources, LLC

Federal Utah Statewide Bond UTB000187 \$ 25,000 being transferred from Crescendo to Slate River Resources, LLC

Crescendo Energy, LLC

*N1365*

*Carter G. Mathies*

Carter G. Mathies, President

NAME (PLEASE PRINT) Gary D. Davis TITLE President, Slate River Resources, LLC

SIGNATURE *[Signature]* DATE 11/10/2005

(This space for State use only)

APPROVED *11/29/05*

*Earlene Russell*

Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED

NOV 16 2005

DIV. OF OIL, GAS & MINING



API Well Number	Operator	Well Name	Well Type	Well Status	Field Name	County Name	00/04	Section	Township Range		PNL
43-019-30570-00-0	CRESCENDO ENERGY LLC	ARCO 27-1	Gas Well	Producing	SAN ARROYO	GRAND	NWSW	27	16S-25E	U-29645	1700
43-019-31162-00-0	CRESCENDO ENERGY LLC	ARCO STATE 36-7	Gas Well	Producing	EAST CANYON	GRAND	SWSE	36	15.5S-24E	ML-22208	852
43-019-31192-00-0	CRESCENDO ENERGY LLC	ARCO STATE 36-8	Gas Well	Producing	EAST CANYON	GRAND	SWSW	36	15.5S-24E	ML-22208	1285
43-019-30240-00-0	CRESCENDO ENERGY LLC	ARCO-STATE 2-1	Gas Well	Producing	EAST CANYON	GRAND	NESE	2	16S-24E	ML-22208	2420
43-019-30241-00-0	CRESCENDO ENERGY LLC	ARCO-STATE 2-2	Gas Well	Shut-In	EAST CANYON	GRAND	NWNW	2	16S-24E	ML-22208	1425
43-019-30047-00-0	CRESCENDO ENERGY LLC	BITTER CREEK 1	Gas Well	Producing	SAN ARROYO	GRAND	SWSE	2	16S-25E	ML-25151	1080
43-047-30765-00-0	CRESCENDO ENERGY LLC	BLACK HORSE CANYON FED 31-1	Gas Well	Producing	BLACK HORSE CYN	UINTAH	NWSW	31	15S-24E	U-14234	2030
43-019-15884-00-0	CRESCENDO ENERGY LLC	FEDERAL 174 1	Gas Well	Producing	SAN ARROYO	GRAND	SESW	11	16S-25E	U-126528	1940
43-019-31432-00-0	CRESCENDO ENERGY LLC	FEDERAL 27-2	Gas Well	Approved permit (APD); not yet spudd	SAN ARROYO	GRAND	SESE	27	16S-25E	U-29645	1110
43-019-31318-00-0	CRESCENDO ENERGY LLC	FEDERAL 47	Gas Well	Producing	SAN ARROYO	GRAND	NWNE	31	16S-26E	U-6023	990
43-019-31410-00-0	CRESCENDO ENERGY LLC	FEDERAL 6-1	Gas Well	Approved permit (APD); not yet spudd	SAN ARROYO	GRAND	SWNW	6	16S-25E	U-9831	1760
43-019-11089-00-0	CRESCENDO ENERGY LLC	FEDERAL GILBERT 1	Gas Well	Producing	SAN ARROYO	GRAND	SWNE	11	16S-25E	U-126528	1140
43-019-16532-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 01	Gas Well	Shut-In	SAN ARROYO	GRAND	SENW	26	16S-25E	USL-71307	1320
43-019-15885-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 02	Gas Well	Shut-In	SAN ARROYO	GRAND	SENW	22	16S-25E	U-370-A	1125
43-019-15886-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 03	Gas Well	Producing	SAN ARROYO	GRAND	SENW	23	16S-25E	U-369	60
43-019-15887-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 04	Gas Well	Producing	SAN ARROYO	GRAND	SESW	30	16S-26E	U-6023	660
43-019-15888-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 05	Gas Well	Shut-In	SAN ARROYO	GRAND	NWSE	25	16S-25E	U-369	820
43-019-15889-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 06	Gas Well	Shut-In	SAN ARROYO	GRAND	SWNE	21	16S-25E	U-136529	1360
43-019-15890-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 08	Gas Well	Producing	SAN ARROYO	GRAND	SWSW	16	16S-25E	ML-4113	2066
43-019-15891-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 09	Gas Well	Producing	SAN ARROYO	GRAND	NWNE	27	16S-25E	U-370-A	1210
43-019-15892-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 11	Gas Well	Producing	SAN ARROYO	GRAND	NESW	15	16S-25E	U-5059-C	2450
43-019-15893-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 12	Gas Well	Producing	SAN ARROYO	GRAND	SWSW	23	16S-25E	USL-71307	1520
43-019-15894-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 13	Gas Well	Producing	SAN ARROYO	GRAND	C-SW	22	16S-25E	U-370-A	660
43-019-15896-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 16	Gas Well	Producing	SAN ARROYO	GRAND	SESW	26	16S-25E	U-369	1990
43-019-15897-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 17	Gas Well	Producing	SAN ARROYO	GRAND	NENE	24	16S-25E	U-25243	660
43-019-15898-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 18	Gas Well	Producing	SAN ARROYO	GRAND	NWNW	30	16S-26E	U-6023	1300
43-019-15899-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 19	Gas Well	Producing	SAN ARROYO	GRAND	SWSE	14	16S-25E	U-5011-B	2600
43-019-15900-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 20	Gas Well	Producing	SAN ARROYO	GRAND	SENE	26	16S-25E	USL-71307	1710
43-019-15901-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 21	Gas Well	Producing	SAN ARROYO	GRAND	NWSE	25	16S-25E	U-369	395
43-019-15902-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 22	Gas Well	Producing	SAN ARROYO	GRAND	NENE	15	16S-25E	U-5011-A	2190
43-019-15903-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 24	Gas Well	Producing	SAN ARROYO	GRAND	SENW	19	16S-26E	U-6188	769
43-019-15904-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 25	Gas Well	Producing	SAN ARROYO	GRAND	SWNE	21	16S-25E	U-136529	1110
43-019-15905-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 26	Gas Well	Producing	SAN ARROYO	GRAND	SWSW	20	16S-26E	U-25297	78
43-019-15906-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 27	Gas Well	Producing	SAN ARROYO	GRAND	NESW	29	16S-26E	U-6021	87
43-019-15907-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 28	Gas Well	Producing	SAN ARROYO	GRAND	NWNE	29	16S-26E	U-5650	634
43-019-15908-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 29	Gas Well	Producing	SAN ARROYO	GRAND	NENE	22	16S-25E	U-370-A	540
43-019-15909-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 30	Gas Well	Producing	SAN ARROYO	GRAND	NWSW	21	16S-26E	U-5650	945
43-019-30527-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 31	Gas Well	Shut-In	SAN ARROYO	GRAND	NWNW	22	16S-25E	U-370-A	739
43-019-30528-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 32	Gas Well	Producing	SAN ARROYO	GRAND	SWSW	14	16S-25E	U-5011-B	1305
43-019-30608-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 33	Gas Well	Producing	SAN ARROYO	GRAND	SWSW	25	16S-25E	U-369	1977
43-019-11090-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 35	Gas Well	Producing	SAN ARROYO	GRAND	SESW	24	16S-25E	U-369	1875
43-019-31251-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 36-A	Gas Well	Producing	SAN ARROYO	GRAND	SESE	19	16S-26E	U-6188	304
43-019-31252-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 37	Gas Well	Producing	SAN ARROYO	GRAND	SWNE	20	16S-26E	U-5650	2025
43-019-31253-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 38	Gas Well	Producing	SAN ARROYO	GRAND	SWNE	16	16S-25E	ML-4113	1393
43-019-31250-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 40	Gas Well	Shut-In	SAN ARROYO	GRAND	NWNE	27	16S-25E	U-370-A	1482
43-019-31289-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 41	Gas Well	Producing	SAN ARROYO	GRAND	NENE	36	16S-25E	Not CE Lease	1342
43-019-31290-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 42	Gas Well	Producing	SAN ARROYO	GRAND	NESE	30	16S-26E	U-6023	1300
43-019-31291-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 43	Gas Well	Producing	SAN ARROYO	GRAND	NESE	29	16S-26E	U-6021	600
43-019-31301-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 44	Gas Well	Producing	SAN ARROYO	GRAND	SENE	30	16S-26E	U-6023	
43-019-31299-00-0	CRESCENDO ENERGY LLC	SAN ARROYO 45	Gas Well	Producing	SAN ARROYO	GRAND	NWSE	20	16S-26E	U-5650	0

**UTAH SCHEDULE OF WELLS  
SLATE RIVER RESOURCES, LLC, OPERATOR**

[illegible]

## OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ

2. CDW

Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

X Merger

The operator of the well(s) listed below has changed, effective:

11/1/2005

FROM: (Old Operator):	TO: ( New Operator):
N1365-Crescendo Energy, LLC 1600 Broadway, Suite 900 Denver, CO 80202 Phone: 1-(303) 592-4448	N2725-Slate River Resources, LLC 418 Main St, Suite 18 Vernal, UT 84078 Phone: 1-(435) 781-1870

CA No.

Unit:

SAN ARROYO

## WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SAN ARROYO 32	14	160S	250E	4301930528	500	Federal	GW	P
SAN ARROYO U 38	16	160S	250E	4301931253	500	State	GW	P
SAN ARROYO 29	22	160S	250E	4301915908	500	Federal	GW	P
SAN ARROYO 31	22	160S	250E	4301930527	500	Federal	GW	S
SAN ARROYO 33	25	160S	250E	4301930608	500	Federal	GW	P
SAN ARROYO 1	26	160S	250E	4301916532	505	Federal	GW	S
SAN ARROYO U 40	27	160S	250E	4301931250	505	Federal	GW	S
SAN ARROYO U 41	36	160S	250E	4301931289	500	State	GW	P
SAN ARROYO U 36-A	19	160S	260E	4301931251	500	Federal	GW	P
SAN ARROYO 26	20	160S	260E	4301915905	500	Federal	GW	P
SAN ARROYO U 37	20	160S	260E	4301931252	500	Federal	GW	P
SAN ARROYO 45	20	160S	260E	4301931299	500	Federal	GW	P
SAN ARROYO 30	21	160S	260E	4301915909	500	Federal	GW	P
SAN ARROYO 27	29	160S	260E	4301915906	500	Federal	GW	P
SAN ARROYO 28	29	160S	260E	4301915907	500	Federal	GW	P
SAN ARROYO U 43	29	160S	260E	4301931291	500	Federal	GW	P
SAN ARROYO 49	29	160S	260E	4301931316	500	Federal	GW	P
SAN ARROYO U 42	30	160S	260E	4301931290	500	Federal	GW	P
SAN ARROYO 44	30	160S	260E	4301931301	500	Federal	GW	P
FEDERAL 47	31	160S	260E	4301931318	500	Federal	GW	P

## OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 11/16/2005
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 11/16/2005
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 11/23/2005
- Is the new operator registered in the State of Utah: YES Business Number: 5830411-0161
- If **NO**, the operator was contacted on: \_\_\_\_\_
- 6a. (R649-9-2) Waste Management Plan has been received on: \_\_\_\_\_ requested 11/23/05
- 6b. Inspections of LA PA state/fee well sites complete on: n/a
- 6c. Reports current for Production/Disposition & Sundries on: \_\_\_\_\_ requested 11/23/05

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: \_\_\_\_\_ not yet

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: \_\_\_\_\_ n/a

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: \_\_\_\_\_ n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: \_\_\_\_\_ n/a

**DATA ENTRY:**

1. Changes entered in the Oil and Gas Database on: \_\_\_\_\_ 11/29/2005
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: \_\_\_\_\_ 11/29/2005
3. Bond information entered in RBDMS on: \_\_\_\_\_ 11/29/2005
4. Fee/State wells attached to bond in RBDMS on: \_\_\_\_\_ 11/29/2005
5. Injection Projects to new operator in RBDMS on: \_\_\_\_\_ n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: \_\_\_\_\_ 11/29/2005

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: \_\_\_\_\_ UTB000187

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: \_\_\_\_\_ n/a

**FEE & STATE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The NEW operator of any fee well(s) listed covered by Bond Number \_\_\_\_\_ B001556
2. The FORMER operator has requested a release of liability from their bond on: \_\_\_\_\_ 11/25/2005  
The Division sent response by letter on: \_\_\_\_\_ n/a

**LEASE INTEREST OWNER NOTIFICATION:**

3. (R649-2-10) The FORMER operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: \_\_\_\_\_ n/a

**COMMENTS:**

**Division of Oil, Gas and Mining**  
**OPERATOR CHANGE WORKSHEET**

ROUTING	
1. DJJ	
2. CDW	

**X - Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**5/15/2008**

**FROM: (Old Operator):**

N2725-Slate River Resources, LLC  
 1600 Broadway, Suite 900  
 Denver, CO 80202

Phone: 1 (303) 592-4448

**TO: ( New Operator):**

N3505-Augustus Energy Partners, LLC  
 2016 Grand Ave, Suite A  
 Billings MT 59012

Phone: 1 (406) 294-5990

**CA No.**

**Unit:**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/23/2008
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/23/2008
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 6/4/2008
- a. Is the new operator registered in the State of Utah: Business Number: 7012268-0161
- b. If **NO**, the operator was contacted on: \_\_\_\_\_
- a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: In Process
- c. Reports current for Production/Disposition & Sundries on: OK
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: not yet
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 5/29/2008
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/29/2008
- Bond information entered in RBDMS on: 5/29/2008
- Fee/State wells attached to bond in RBDMS on: 5/29/2008
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: \_\_\_\_\_

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: UTB00317
  - Indian well(s) covered by Bond Number: n/a
  - a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0011628
  - b. The **FORMER** operator has requested a release of liability from their bond on: not yet
- The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

**COMMENTS:**

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached list
2. NAME OF OPERATOR: Augustus Energy Partners, LLC N3505		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 2016 Grand Avenue, Ste A CITY Billings STATE MT ZIP 59012		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: COUNTY: QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH		8. WELL NAME and NUMBER: 9. API NUMBER: 10. FIELD AND POOL, OR WILDCAT:

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>Change of Operator</u>
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective 12:01 a.m. May 15, 2008 the Operator of this well will change from:

Slate River Resources, LLC  
1600 Broadway, Suite 900  
Denver, CO 80202  
303-592-4448

N2725

TO: Augustus Energy Partners, LLC  
2016 Grand Avenue, Suite A  
Billings, MT 59102

BLM Bond # UTB00317 effective 5/13/08

STATE BOND = RLB 0011638

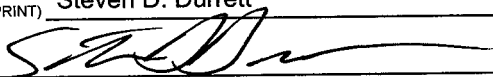
Seller: Slate River Resources LLC  
Gary D. Davis, President/CEO

Signature: 

NAME (PLEASE PRINT) Steven D. Durrett

TITLE President

SIGNATURE



DATE 5/15/2008

(This space for State use only)

APPROVED 5/15/08  
Earlene Russell  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED

MAY 23 2008

DIV. OF OIL, GAS & MINING

API Well Number	Well Name	Qtr/Qtr	Section	Township-Range
43-019-11089	FEDERAL GILBERT 1	SWNE	11	16S-25E
43-019-11090	SAN ARROYO U 35	SESW	24	16S-25E
43-019-15884	FEDERAL 174 1	SESW	11	16S-25E
43-019-15885	SAN ARROYO 2	SENW	22	16S-25E
43-019-15886	SAN ARROYO 3	SENW	23	16S-25E
43-019-15887	SAN ARROYO 4	SESW	30	16S-26E
43-019-15888	SAN ARROYO 5	NWSE	25	16S-25E
43-019-15889	SAN ARROYO 6	SWNE	21	16S-25E
43-019-15890	SAN ARROYO 8	SWSW	16	16S-25E
43-019-15891	SAN ARROYO 9	NWNE	27	16S-25E
43-019-15892	SAN ARROYO 11	NESW	15	16S-25E
43-019-15893	SAN ARROYO 12	SWSW	23	16S-25E
43-019-15894	SAN ARROYO 13	C-SW	22	16S-25E
43-019-15896	SAN ARROYO 16	SESW	26	16S-25E
43-019-15897	SAN ARROYO 17	NENE	24	16S-25E
43-019-15898	SAN ARROYO 18	NWNW	30	16S-26E
43-019-15899	SAN ARROYO 19	SWSE	14	16S-25E
43-019-15900	SAN ARROYO 20	SENE	26	16S-25E
43-019-15901	SAN ARROYO 21	NWSE	25	16S-25E
43-019-15902	SAN ARROYO 22	NENE	15	16S-25E
43-019-15903	SAN ARROYO 24	SENW	19	16S-26E
43-019-15904	SAN ARROYO 25	SWNE	21	16S-25E
43-019-15905	SAN ARROYO 26	SWSW	20	16S-26E
43-019-15906	SAN ARROYO 27	NESW	29	16S-26E
43-019-15907	SAN ARROYO 28	NWNE	29	16S-26E
43-019-15908	SAN ARROYO 29	NENE	22	16S-25E
43-019-15909	SAN ARROYO 30	NWSW	21	16S-26E
43-019-16532	SAN ARROYO 1	SENW	26	16S-25E
43-019-30047	BITTER CREEK 1	SWSE	2	16S-25E
43-019-30240	ARCO-STATE 2-1	NESE	2	16S-24E
43-019-30241	ARCO-STATE 2-2	NWNW	2	16S-24E
43-019-30527	SAN ARROYO 31	NWNW	22	16S-25E
43-019-30528	SAN ARROYO 32	SWSW	14	16S-25E
43-019-30570	ARCO 27-1	NWSW	27	16S-25E
43-019-30608	SAN ARROYO 33	SWSW	25	16S-25E
43-019-31162	ARCO STATE 36-7	SWSE	36	15.5S-24E
43-019-31192	ARCO STATE 36-8	SWSW	36	15.5S-24E
43-019-31250	SAN ARROYO U 40	NWNE	27	16S-25E
43-019-31251	SAN ARROYO U 36-A	SESE	19	16S-26E
43-019-31252	SAN ARROYO U 37	SWNE	20	16S-26E
43-019-31253	SAN ARROYO U 38	SWNE	16	16S-25E
43-019-31289	SAN ARROYO U 41	NENE	36	16S-25E
43-019-31290	SAN ARROYO U 42	NESE	30	16S-26E
43-019-31291	SAN ARROYO U 43	NESE	29	16S-26E
43-019-31299	SAN ARROYO 45	NWSE	20	16S-26E
43-019-31301	SAN ARROYO 44	SENE	30	16S-26E
43-019-31316	SAN ARROYO 49	NENW	29	16S-26E
43-019-31318	FEDERAL 47	NWNE	31	16S-26E
43-047-30765	BLACK HORSE CANYON FED 31-1	NWSW	31	15S-24E

RECEIVED

MAY 23 2008

DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET (for state use only)**

**ROUTING**  
**CDW**

**X - Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**11/11/2013**

<b>FROM: (Old Operator):</b> N3505-Augustus Energy Partners, LLC 2016 Garnd Ave, Suite A Billings, MT 59102  Phone: 1 (406) 294-5990	<b>TO: ( New Operator):</b> N4035-Southwestern Energy Ventures Company, LLC PO Box 1056 Bayfield, CO 81122  Phone: 1 (970) 884-4869
---	--

**CA No.**

**Unit:**

**San Arroyo**

WELL NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
See Attached List						

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 11/22/2013
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 11/22/2013
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 11/27/2013
- a. Is the new operator registered in the State of Utah: \_\_\_\_\_ Business Number: 8812939-0161
- 5a. (R649-9-2) Waste Management Plan has been received on: N/A
- 5b. Inspections of LA PA state/fee well sites complete on: N/A
- 5c. Reports current for Production/Disposition & Sundries on: 11/27/2013
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM Not Yet BIA N/A
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: Not Yet
- Federal and Indian Communization Agreements ("CA"):** N/A  
The BLM or BIA has approved the operator for all wells listed within a CA on: Not Yet
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 12/1/2013
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/1/2013
- Bond information entered in RBDMS on: 12/1/2013
- Fee/State wells attached to bond in RBDMS on: 12/1/2013
- Injection Projects to new operator in RBDMS on: N/A
- Receipt of Acceptance of Drilling Procedures for APD/New on: N/A
- Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: N/A

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: RLB0015347
- Indian well(s) covered by Bond Number: N/A
- a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number RLB0015348
- b. The **FORMER** operator has requested a release of liability from their bond on: 11/22/2013

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

**COMMENTS:**



Augustus Energy Partners, LLC (N3505) to Southwestern Energy Ventures Company, LLC (N4035)  
Effective 11/11/2013  
San Arroyo Unit

Well Name	Sec	TWN	RNG	API Number	Entity	Mineral Lease	Well Type	Well Status
SAN ARROYO U 35	24	160S	250E	4301911090	500	Federal	GW	P
SAN ARROYO 2	22	160S	250E	4301915885	505	Federal	GW	S
SAN ARROYO 3	23	160S	250E	4301915886	500	Federal	GW	P
SAN ARROYO 4	30	160S	260E	4301915887	500	Federal	GW	P
SAN ARROYO 5	25	160S	250E	4301915888	505	Federal	GW	S
SAN ARROYO 6	21	160S	250E	4301915889	505	Federal	GW	S
SAN ARROYO 8	16	160S	250E	4301915890	500	Federal	GW	P
SAN ARROYO 9	27	160S	250E	4301915891	500	Federal	GW	P
SAN ARROYO 11	15	160S	250E	4301915892	500	Federal	GW	S
SAN ARROYO 12	23	160S	250E	4301915893	500	Federal	GW	P
SAN ARROYO 13	22	160S	250E	4301915894	500	Federal	GW	P
SAN ARROYO 16	26	160S	250E	4301915896	500	Federal	GW	P
SAN ARROYO 17	24	160S	250E	4301915897	500	Federal	GW	P
SAN ARROYO 18	30	160S	260E	4301915898	500	Federal	GW	P
SAN ARROYO 19	14	160S	250E	4301915899	500	Federal	GW	P
SAN ARROYO 20	26	160S	250E	4301915900	500	Federal	GW	P
SAN ARROYO 21	25	160S	250E	4301915901	500	Federal	GW	P
SAN ARROYO 22	15	160S	250E	4301915902	500	Federal	GW	P
SAN ARROYO 24	19	160S	260E	4301915903	500	Federal	GW	P
SAN ARROYO 25	21	160S	250E	4301915904	500	Federal	GW	P
SAN ARROYO 26	20	160S	260E	4301915905	500	Federal	GW	P
SAN ARROYO 27	29	160S	260E	4301915906	500	Federal	GW	P
SAN ARROYO 28	29	160S	260E	4301915907	500	Federal	GW	P
SAN ARROYO 29	22	160S	250E	4301915908	500	Federal	GW	P
SAN ARROYO 30	21	160S	260E	4301915909	500	Federal	GW	P
SAN ARROYO 1	26	160S	250E	4301916532	505	Federal	GW	S
SAN ARROYO 31	22	160S	250E	4301930527	500	Federal	GW	S
SAN ARROYO 32	14	160S	250E	4301930528	500	Federal	GW	S
SAN ARROYO 33	25	160S	250E	4301930608	500	Federal	GW	P
SAN ARROYO U 36-A	19	160S	260E	4301931251	500	Federal	GW	P
SAN ARROYO U 37	20	160S	260E	4301931252	500	Federal	GW	P
SAN ARROYO U 38	16	160S	250E	4301931253	500	State	GW	P
SAN ARROYO U 41	36	160S	250E	4301931289	500	State	GW	P
SAN ARROYO U 42	30	160S	260E	4301931290	500	Federal	GW	P
SAN ARROYO U 43	29	160S	260E	4301931291	500	Federal	GW	S
SAN ARROYO 45	20	160S	260E	4301931299	500	Federal	GW	P
SAN ARROYO 44	30	160S	260E	4301931301	500	Federal	GW	S
SAN ARROYO 49	29	160S	260E	4301931316	500	Federal	GW	P
FEDERAL 47	31	160S	260E	4301931318	500	Federal	GW	P
SAN ARROYO 1625-22O	22	160S	250E	4301931580	505	Federal	GW	S

# BEATTY & WOZNIAK, P.C.

ATTORNEYS AT LAW

216 SIXTEENTH STREET, SUITE 1100  
DENVER, COLORADO 80202-5115  
TELEPHONE (303) 407-4499  
FACSIMILE (303) 407-4494  
www.bwenergylaw.com

JENNIFER STOLDT

PHONE: (303) 407-4499  
E-MAIL: JSTOLDT@BWENERGYLAW.COM

CASPER

CHEYENNE

DENVER

SALT LAKE CITY

SANTA FE

November 21, 2013

VIA FEDERAL EXPRESS

Utah Division of Oil, Gas and Mining  
Attn: Rachel Medina  
1594 West North Temple, Suite 1210  
Salt Lake City, UT 84116

RECEIVED  
NOV 22 2013  
DIV. OF OIL, GAS & MINING

Re: Sundry Notices and Reports on Wells – Change of Operator (Form 9)  
Our File No.: 9517.0001

Dear Ms. Madina:

Enclosed for notice and filing please find an original and three (3) copies of the Sundry Notices and Reports on Wells, list of wells, and copies of BLM Bond No. RLB0015347 and Utah State Bond No. RLB0015348.

If you have any questions regarding the enclosed documents, please call me directly at 303-407-4459. Thank you for your assistance in this matter.

Very truly yours,

BEATTY & WOZNIAK, P.C.



Jennifer Stoldt

Enclosures  
00292177.DOCX

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached List
2. NAME OF OPERATOR: Augustus Energy Partners, LLC N3505		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 
3. ADDRESS OF OPERATOR: 2016 Grand Ave. Ste A CITY Billings STATE MT ZIP 59102		7. UNIT or CA AGREEMENT NAME: See Attached List
PHONE NUMBER: (406) 294-5990		8. WELL NAME and NUMBER: See Attached List
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____		9. API NUMBER: See Attach
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____		10. FIELD AND POOL, OR WILDCAT: See Attached List
COUNTY: See Attached List		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: Change of Operator Effective 11/11/13
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Southwestern Energy Ventures Company, LLC will become operator of the wells per the attached list effective 11/11/2013.  
Attn: Ezra Lee  
P. O. Box 1056  
Bayfield, CO 81122  
970-884-4869  
ezra@crossfire-llc.com

Bond Coverage for operations conducted on these wells is being provided by Southwestern Energy Ventures Company, LLC in the form of a \$ 120,000 statewide Bond.

Utah State bond number LB0015348 Surety number (Letter of credit ) \_\_\_\_\_

BLM Bond Number LB0015347

NAME (PLEASE PRINT) Ezra Lee TITLE Manager

SIGNATURE [Signature] DATE 11-13-13

NAME (PLEASE PRINT) Duane Zimmerman TITLE VP Operations

SIGNATURE [Signature] DATE 11/11/13

(This space for State use only)

APPROVED

DEC 01 2013

(5/2000)

DIV. OIL GAS & MINING

BY: Rachael Medina

\* San Arroyo U40  
not moved b/c its  
a P&A Federal well.  
(See Instructions on Reverse Side)

	Current Operator	API Well Number	Well Name	Lease #	Unit #	CA #	Entity #	Qtr/Qtr	Sec	Twnshp-Rng
1	AUGUSTUS ENERGY PARTNERS LLC	43-019-11090-00-00	SAN ARROYO U 35	891003589A	UTU63022X		500	SESW	24	16S-25E
2	AUGUSTUS ENERGY PARTNERS LLC	43-019-15885-00-00	SAN ARROYO 2	891003598B	UTU63022X		505	SESW	22	16S-25E
3	AUGUSTUS ENERGY PARTNERS LLC	43-019-15886-00-00	SAN ARROYO 3	891003589A	UTU63022X		500	SESW	23	16S-25E
4	AUGUSTUS ENERGY PARTNERS LLC	43-019-15887-00-00	SAN ARROYO 4	891003589A	UTU63022X		500	SESW	30	16S-26E
5	AUGUSTUS ENERGY PARTNERS LLC	43-019-15888-00-00	SAN ARROYO 5	891003598B	UTU63022X		505	NWSE	25	16S-25E
6	AUGUSTUS ENERGY PARTNERS LLC	43-019-15889-00-00	SAN ARROYO 6	891003598B	UTU63022X		505	SWNE	21	16S-25E
7	AUGUSTUS ENERGY PARTNERS LLC	43-019-15890-00-00	SAN ARROYO 8	891003589A	UTU63022X		500	SWSW	16	16S-25E
8	AUGUSTUS ENERGY PARTNERS LLC	43-019-15891-00-00	SAN ARROYO 9	891003589A	UTU63022X		500	NWNE	27	16S-25E
9	AUGUSTUS ENERGY PARTNERS LLC	43-019-15892-00-00	SAN ARROYO 11	891003589A	UTU63022X		500	NESW	15	16S-25E
10	AUGUSTUS ENERGY PARTNERS LLC	43-019-15893-00-00	SAN ARROYO 12	891003589A	UTU63022X		500	SWSW	23	16S-25E
11	AUGUSTUS ENERGY PARTNERS LLC	43-019-15894-00-00	SAN ARROYO 13	891003589A	UTU63022X		500	C-SW	22	16S-25E
12	AUGUSTUS ENERGY PARTNERS LLC	43-019-15896-00-00	SAN ARROYO 16	891003589A	UTU63022X		500	SESW	26	16S-25E
13	AUGUSTUS ENERGY PARTNERS LLC	43-019-15897-00-00	SAN ARROYO 17	891003589A	UTU63022X		500	NENE	24	16S-25E
14	AUGUSTUS ENERGY PARTNERS LLC	43-019-15898-00-00	SAN ARROYO 18	891003589A	UTU63022X		500	NWNW	30	16S-26E
15	AUGUSTUS ENERGY PARTNERS LLC	43-019-15899-00-00	SAN ARROYO 19	891003589A	UTU63022X		500	SWSE	14	16S-25E
16	AUGUSTUS ENERGY PARTNERS LLC	43-019-15900-00-00	SAN ARROYO 20	891003589A	UTU63022X		500	SENE	26	16S-25E
17	AUGUSTUS ENERGY PARTNERS LLC	43-019-15901-00-00	SAN ARROYO 21	891003589A	UTU63022X		500	NWSE	25	16S-25E
18	AUGUSTUS ENERGY PARTNERS LLC	43-019-15902-00-00	SAN ARROYO 22	891003589A	UTU63022X		500	NENE	15	16S-25E
19	AUGUSTUS ENERGY PARTNERS LLC	43-019-15903-00-00	SAN ARROYO 24	891003589A	UTU63022X		500	SESW	19	16S-26E
20	AUGUSTUS ENERGY PARTNERS LLC	43-019-15904-00-00	SAN ARROYO 25	891003589A	UTU63022X		500	SWNE	21	16S-25E
21	AUGUSTUS ENERGY PARTNERS LLC	43-019-15905-00-00	SAN ARROYO 26	891003589A	UTU63022X		500	SWSW	20	16S-26E
22	AUGUSTUS ENERGY PARTNERS LLC	43-019-15906-00-00	SAN ARROYO 27	891003589A	UTU63022X		500	NESW	29	16S-26E
23	AUGUSTUS ENERGY PARTNERS LLC	43-019-15907-00-00	SAN ARROYO 28	891003589A	UTU63022X		500	NWNE	29	16S-26E
24	AUGUSTUS ENERGY PARTNERS LLC	43-019-15908-00-00	SAN ARROYO 29	891003589A	UTU63022X		500	NENE	22	16S-25E
25	AUGUSTUS ENERGY PARTNERS LLC	43-019-15909-00-00	SAN ARROYO 30	891003589A	UTU63022X		500	NWSW	21	16S-26E
26	AUGUSTUS ENERGY PARTNERS LLC	43-019-16532-00-00	SAN ARROYO 1	891003598B	UTU63022X		505	SESW	26	16S-25E
27	AUGUSTUS ENERGY PARTNERS LLC	43-019-30527-00-00	SAN ARROYO 31	891003589A	UTU63022X		500	NWNW	22	16S-25E
28	AUGUSTUS ENERGY PARTNERS LLC	43-019-30528-00-00	SAN ARROYO 32	891003589A	UTU63022X		500	SWSW	14	16S-25E
29	AUGUSTUS ENERGY PARTNERS LLC	43-019-30608-00-00	SAN ARROYO 33	891003589A	UTU63022X		500	SWSW	25	16S-25E
30	AUGUSTUS ENERGY PARTNERS LLC	43-019-31251-00-00	SAN ARROYO U 36-A	891003589A	UTU63022X		500	SESE	19	16S-26E
31	AUGUSTUS ENERGY PARTNERS LLC	43-019-31252-00-00	SAN ARROYO U 37	891003589A	UTU63022X		500	SWNE	20	16S-26E
32	AUGUSTUS ENERGY PARTNERS LLC	43-019-31253-00-00	SAN ARROYO U 38	891003589A	UTU63022X		500	SWNE	16	16S-25E
33	AUGUSTUS ENERGY PARTNERS LLC	43-019-31289-00-00	SAN ARROYO U 41	891003589A	UTU63022X		500	NENE	36	16S-25E
34	AUGUSTUS ENERGY PARTNERS LLC	43-019-31290-00-00	SAN ARROYO U 42	891003589A	UTU63022X		500	NESE	30	16S-26E
35	AUGUSTUS ENERGY PARTNERS LLC	43-019-31291-00-00	SAN ARROYO U 43	891003589A	UTU63022X		500	NESE	29	16S-26E
36	AUGUSTUS ENERGY PARTNERS LLC	43-019-31299-00-00	SAN ARROYO 45	891003589A	UTU63022X		500	NWSE	20	16S-26E
37	AUGUSTUS ENERGY PARTNERS LLC	43-019-31301-00-00	SAN ARROYO 44	891003589A	UTU63022X		500	SENE	30	16S-26E
38	AUGUSTUS ENERGY PARTNERS LLC	43-019-31316-00-00	SAN ARROYO 49	891003589A	UTU63022X		500	NENW	29	16S-26E
39	AUGUSTUS ENERGY PARTNERS LLC	43-019-31580-00-00	SAN ARROYO 1625-220	891003598B	UTU63022X		505	SWSE	22	16S-25E
40	AUGUSTUS ENERGY PARTNERS LLC	43-019-31250-00-00	SAN ARROYO U 40	891003598B	UTU63022X		505	NWNE	27	16S-25E
41	AUGUSTUS ENERGY PARTNERS LLC	43-019-31318-00-00	FEDERAL 47	891003589A	UTU63022X		500	NWNE	31	16S-26E
44	AUGUSTUS ENERGY PARTNERS LLC	43-019-15884-00-00	FEDERAL 174 1	UTU126528		NW115	8340	SESW	11	16S-25E
42	AUGUSTUS ENERGY PARTNERS LLC	43-047-30765-00-00	BLACK HORSE CANYON FED 31-1	UTU14234			8345	NWSW	31	15S-24E
43	AUGUSTUS ENERGY PARTNERS LLC	43-019-11089-00-00	FEDERAL GILBERT 1	UTU0125628			8341	SWNE	11	16S-25E

	Current Operator	API Well Number	Well Name	Lease #	Unit #	CA #	Entity #	Qtr/Qtr	Sec	Twtnshp-Rng
45	AUGUSTUS ENERGY PARTNERS LLC	43-019-30570-00-00	ARCO 27-1	UTU29645			11595	NWSW	27	16S-25E
46	AUGUSTUS ENERGY PARTNERS LLC	43-019-30047-00-00	BITTER CREEK 1				515	SWSE	2	16S-25E
47	AUGUSTUS ENERGY PARTNERS LLC	43-019-30240-00-00	ARCO-STATE 2-1				520	NESE	2	16S-24E
48	AUGUSTUS ENERGY PARTNERS LLC	43-019-30241-00-00	ARCO-STATE 2-2				520	NWNW	2	16S-24E
49	AUGUSTUS ENERGY PARTNERS LLC	43-019-31162-00-00	ARCO STATE 36-7				9710	SWSE	36	15.5S-24E
50	AUGUSTUS ENERGY PARTNERS LLC	43-019-31192-00-00	ARCO STATE 36-8				9710	SWSW	36	15.5S-24E

Division of Oil, Gas and Mining  
Operator Change/Name Change Worksheet-for State use only

Effective Date: 11/1/2014

FORMER OPERATOR:	NEW OPERATOR:
Southwestern Energy Ventures Company, LLC N4035 2154 W Eisenhower Blvd Loveland, CO 80537 970-669-7411	SWEVCO-SABW, LLC N4155 2154 W Eisenhower Blvd Loveland, CO 80537 970-669-7411
CA Number(s):	San Arroyo

**WELL INFORMATION:**

Well Name	Sec	TWN	RNG	API	Entity	Mineral	Surface	Type	Status
See Attached List									

**OPERATOR CHANGES DOCUMENTATION:**

1. Sundry or legal documentation was received from the **FORMER** operator on: 10/21/2014
2. Sundry or legal documentation was received from the **NEW** operator on: 10/21/2014
3. New operator Division of Corporations Business Number: 8820416-0161

**REVIEW:**

1. Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: N/A
2. Receipt of Acceptance of Drilling Procedures for APD/New on: N/A
3. Reports current for Production/Disposition & Sundries: 10/27/2014
4. OPS/SI/TA well(s) reviewed for full cost bonding: 10/27/2014
5. UIC5 on all disposal/injection/storage well(s) approved on: N/A
6. Surface Facility(s) included in operator change: None
7. Inspections of PA state/fee well sites complete on (only upon operators request): N/A

**NEW OPERATOR BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: RLB0015753
2. Indian well(s) covered by Bond Number: RLB0015753
3. State/fee well(s) covered by Bond Number(s): RLB0015799

**DATA ENTRY:**

1. Well(s) update in the **OGIS** on: 11/3/2014
2. Entity Number(s) updated in **OGIS** on: 11/3/2014
3. Unit(s) operator number update in **OGIS** on: 11/3/2014
4. Surface Facilities update in **OGIS** on: N/A
5. State/Fee well(s) attached to bond(s) in **RBDMS** on: 11/3/2014
6. Surface Facilities update in **RBDMS** on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

1. The **NEW** operator of the Fee (Mineral) wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 11/3/2014

**COMMENTS:**

Southwestern Energy Ventures Company, LLC to SWEVCO-SABW, LLC  
Effective November 1, 2014

Well Name	Sec	TWN	RNG	API Number	Entity	Mineral	Surface	Tpye	Status	Unit
ARCO 27-1	27	160S	250E	4301930570	11595	Federal	Federal	GW	P	
BLACK HORSE CANYON FED 31-1	31	150S	240E	4304730765	8345	Federal	Federal	GW	P	
FEDERAL 174 1	11	160S	250E	4301915884	8340	Federal	Federal	GW	P	
FEDERAL GILBERT 1	11	160S	250E	4301911089	8341	Federal	Federal	GW	P	
ARCO STATE 36-7	36	155S	240E	4301931162	9710	State	State	GW	P	
ARCO-STATE 2-1	2	160S	240E	4301930240	520	State	State	GW	P	
ARCO-STATE 2-2	2	160S	240E	4301930241	520	State	State	GW	P	
BITTER CREEK 1	2	160S	250E	4301930047	515	State	State	GW	P	
BAR X UNIT 11	18	170S	260E	4301930592	19413	Federal	Federal	GW	S	
BAR X UNIT 25	12	170S	250E	4301931371	19414	Federal	Federal	GW	S	
BAR X UNIT 4	18	170S	260E	4301915023	19412	Federal	Federal	GW	S	
ARCO STATE 36-8	36	155S	240E	4301931192	9710	State	State	GW	S	
FEDERAL 47	31	160S	260E	4301931318	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 12	23	160S	250E	4301915893	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 13	22	160S	250E	4301915894	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 16	26	160S	250E	4301915896	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 17	24	160S	250E	4301915897	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 18	30	160S	260E	4301915898	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 19	14	160S	250E	4301915899	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 20	26	160S	250E	4301915900	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 21	25	160S	250E	4301915901	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 22	15	160S	250E	4301915902	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 24	19	160S	260E	4301915903	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 25	21	160S	250E	4301915904	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 26	20	160S	260E	4301915905	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 27	29	160S	260E	4301915906	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 28	29	160S	260E	4301915907	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 3	23	160S	250E	4301915886	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 30	21	160S	260E	4301915909	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 33	25	160S	250E	4301930608	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 4	30	160S	260E	4301915887	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 44	30	160S	260E	4301931301	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 45	20	160S	260E	4301931299	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 49	29	160S	260E	4301931316	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 9	27	160S	250E	4301915891	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO U 35	24	160S	250E	4301911090	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO U 36-A	19	160S	260E	4301931251	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO U 37	20	160S	260E	4301931252	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO U 42	30	160S	260E	4301931290	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO U 43	29	160S	260E	4301931291	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 8	16	160S	250E	4301915890	500	Federal	State	GW	P	SAN ARROYO
SAN ARROYO U 38	16	160S	250E	4301931253	500	State	State	GW	P	SAN ARROYO
SAN ARROYO U 41	36	160S	250E	4301931289	500	State	Fee	GW	P	SAN ARROYO
SAN ARROYO 1	26	160S	250E	4301916532	505	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 11	15	160S	250E	4301915892	500	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 1625-220	22	160S	250E	4301931580	505	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 2	22	160S	250E	4301915885	505	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 29	22	160S	250E	4301915908	500	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 31	22	160S	250E	4301930527	500	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 32	14	160S	250E	4301930528	500	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 5	25	160S	250E	4301915888	505	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 6	21	160S	250E	4301915889	505	Federal	Federal	GW	S	SAN ARROYO

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
SOUTHWESTERN ENERGY VENTURES COMPANY, LLC Operator #N4035

3. ADDRESS OF OPERATOR:  
2154 W. Eisenhower Blvd. CITY Loveland STATE CO ZIP 80537 PHONE NUMBER: (970) 669-7411

4. LOCATION OF WELL

FOOTAGES AT SURFACE: See Attached

COUNTY: See Attached

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

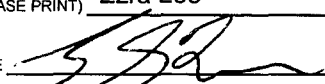
STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Please see attached list of wells, transferring operations to new operator SWEVCO-SABW, LLC #N4155

NAME (PLEASE PRINT) Ezra Lee TITLE President, Southwestern Energy Ventures Comp.  
SIGNATURE  DATE 10-16-14

(This space for State use only)

APPROVED

NOV 03 2014

DIV. OIL GAS & MINING (See Instructions on Reverse Side)

BY: Rachel Medina

RECEIVED  
OCT 21 2014

DIV. OF OIL, GAS & MINING



UTAH																										
API Well Number	Well Name	Operator	Well Status	Well Type	WI	NRI	RI	OR	Field Name/Unit #	Surface Ownership	Mineral Lease	Lease Number	County	Qtr/Qtr	Section	Township-Range	FNL/FSL		FEL/FWL		Latitude	Longitude	Elev. GR	TD	Unit #	PUMPER
OPERATED																										
Outside the Unit		SWEVCO-SABW																								
43-019-30570	ARCO 27-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	SAN ARROYO	Federal	Federal	U-29645	GRAND	NWSW	27	16S-25E	1787	S	1200	W	39.3846	-109.14821	6740	5700		Chris
43-019-31162	ARCO STATE 36-7	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	SWSE	36	15.5S-24E	540	S	1550	E	39.45341	-109.21341	8319	7945		Chris
43-019-31192	ARCO STATE 36-8	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	SWSW	36	15.5S-24E	945	S	850	W	39.45468	-109.22361	7789	7490		Chris
43-019-30240	ARCO STATE 2-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	NESE	2	16S-24E	2194	S	991	E	39.44346	-109.23015	8443	7600		Chris
43-019-30241	ARCO STATE 2-2	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	NWNW	2	16S-24E	769	N	857	W	39.44995	-109.24212	7886	7250		Chris
43-019-30047	BITTER CREEK 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	SAN ARROYO	State	State	ML-25151	GRAND	SWSE	2	16S-25E	395	S	2530	E	39.4387	-109.12413	7375	6658		Chris
43-047-30765	BLACK HORSE CANYON FED 31-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84500000	-	-	BLACK HORSE CYN	Federal	Federal	U-14234	UINTAH	NWSW	31	15S-24E	1820	S	500	W	39.46736	-109.28001	8262	7910		Chris
43-019-15884	FEDERAL 174 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84875000	-	-	SAN ARROYO	Federal	Federal	U-0126528	GRAND	SESW	11	16S-25E	1285	S	2090	W	39.42669	-109.1264	6577	5299		Chris
43-019-11089	FEDERAL GILBERT 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84500000	-	-	SAN ARROYO	Federal	Federal	U-0126528	GRAND	SWNE	11	16S-25E	1700	N	1830	E	39.4329	-109.12144	7001	6200		Chris
43-019-15023	BAR X UNIT 4	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064807	GRAND	NENE	18	17S-26E	660	N	660	E	39.33379	-109.07281	5146	3599		Chris
43-019-30592	BAR X UNIT 11	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064807	GRAND	NWNW	18	17S-26E	1319	N	1285	W	39.33203	-109.08486	5200	3466		Chris
43-019-31371	BAR X UNIT 25	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064806	GRAND	NWSE	12	17S-25E	1384	S	2165	E	39.33965	-109.09684	5273	3742		Chris
San Arroyo Unit																										Chris
43-019-16532	SAN ARROYO 1	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-071307	GRAND	SENW	26	16S-25E	1712	N	2566	W	39.38943	-109.12453	6033	5065		Chris
43-019-15892	SAN ARROYO 11	SWEVCO-SABW	Shut-In	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05059C	GRAND	NESW	15	16S-25E	1760	S	1990	W	39.41349	-109.14544	7524	6367		Chris
43-019-15893	SAN ARROYO 12	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-071307	GRAND	SWSW	23	16S-25E	1140	S	1220	W	39.39734	-109.12949	6507	4731		Chris
43-019-15894	SAN ARROYO 13	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0370A	GRAND	C-SW	22	16S-25E	1320	S	1320	W	39.39783	-109.14783	7592	6260		Chris
43-019-15896	SAN ARROYO 16	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	SESW	26	16S-25E	1125	S	1790	W	39.38276	-109.12746	5922	4884		Chris
43-019-15897	SAN ARROYO 17	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25243	GRAND	NENE	24	16S-25E	660	N	940	E	39.40676	-109.09956	5983	5003		Chris
43-019-15898	SAN ARROYO 18	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06023	GRAND	NWNW	30	16S-26E	660	N	990	W	39.39241	-109.09272	5778	4128		Chris
43-019-15899	SAN ARROYO 19	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011B	GRAND	SWSE	14	16S-25E	820	S	1610	E	39.41086	-109.12089	6305	5200		Chris
43-019-15885	SAN ARROYO 2	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-0370A	GRAND	SENW	22	16S-25E	2420	N	2430	W	39.40199	-109.14379	7752	6826		Chris
43-019-15900	SAN ARROYO 20	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-071307	GRAND	SENE	26	16S-25E	1360	N	170	E	39.39025	-109.11553	6855	5457		Chris
43-019-15901	SAN ARROYO 21	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	NWSE	25	16S-25E	2066	S	2340	E	39.3853	-109.1047	5878	4299		Chris
43-019-15902	SAN ARROYO 22	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011A	GRAND	NENE	15	16S-25E	1210	N	990	E	39.41968	-109.13711	6480	5500		Chris
43-019-15903	SAN ARROYO 24	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06188	GRAND	SENW	19	16S-26E	2450	N	1495	W	39.40194	-109.09106	6023	4815		Chris
43-019-15904	SAN ARROYO 25	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25244	GRAND	SWNE	21	16S-25E	1520	N	1805	E	39.40437	-109.15872	7599	5894		Chris
43-019-15905	SAN ARROYO 26	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25297	GRAND	SWSW	20	16S-26E	660	S	660	W	39.39603	-109.07543	5800	4800		Chris
43-019-15906	SAN ARROYO 27	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06021	GRAND	NESW	29	16S-26E	1990	S	2100	W	39.3851	-109.07027	5584			Chris
43-019-15907	SAN ARROYO 28	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-5650	GRAND	NWNE	29	16S-26E	660	N	1980	E	39.39225	-109.06591	5690	4260		Chris
43-019-15908	SAN ARROYO 29	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0307A	GRAND	NENE	22	16S-25E	1300	N	195	E	39.40492	-109.13429	6849	5200		Chris
43-019-15886	SAN ARROYO 3	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0307A	GRAND	SENW	23	16S-25E	1425	N	1450	W	39.40481	-109.12847	6474	5460		Chris
43-019-15909	SAN ARROYO 30	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05650	GRAND	NWSW	21	16S-26E	2600	S	900	W	39.40124	-109.05587	5481	4293		Chris
43-019-30527	SAN ARROYO 31	SWEVCO-SABW	Shut-In	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0370A	GRAND	NWNW	22	16S-25E	1111	N	913	W	39.40567	-109.14907	7742	6071		Chris
43-019-30528	SAN ARROYO 32	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-																			

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached
2. NAME OF OPERATOR: SWEVCO-SABW, LLC Operator #N4155		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 
3. ADDRESS OF OPERATOR: 2154 W. Eisenhower Blvd. CITY Loveland STATE CO ZIP 80537		7. UNIT or CA AGREEMENT NAME: See Attached
PHONE NUMBER: (970) 669-7411		8. WELL NAME and NUMBER: See Attached
4. LOCATION OF WELL FOOTAGES AT SURFACE: See Attached		9. API NUMBER: Attached
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____		10. FIELD AND POOL, OR WILDCAT: 
COUNTY: See Attached		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Please see attached list of wells, taking over as operator from Southwestern Energy Ventures Company, LLC #N4035

Effective date: November 1, 2014  
BLM Bond: RLB 0015753  
State Bond: RLB 0015799

NAME (PLEASE PRINT) Kellie Diffendaffer	TITLE Accounting Manager
SIGNATURE <i>Kellie Diffendaffer</i>	DATE 10/14/14

(This space for State use only)

RECEIVED

OCT 21 2014

APPROVED

NOV 03 2014

(5/2000)

(See Instructions on Reverse Side)

DIV. OF OIL, GAS & MINING

DIV. OIL GAS & MINING  
BY: *Rachel Medina*

UTAH																									
API Well Number	Well Name	Operator	Well Status	Well Type	WI	NRI	RI	OR	Field Name/Unit #	Surface Ownership	Mineral Lease	Lease Number	County	Qtr/Qtr	Section	Township-Range	FNL/FSL	FEL/FWL	Latitude	Longitude	Elev. GR	TD	Unit #	PUMPER	
OPERATED																									
Outside the Unit		SWEVCO-SABW																							
43-019-30570	ARCO 27-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	SAN ARROYO	Federal	Federal	U-29645	GRAND	NWSW	27	16S-25E	1787	S	1200	W	39.3846	-109.14821	6740	5700	Chris
43-019-31162	ARCO STATE 36-7	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	SWSE	36	15.5S-24E	540	S	1550	E	39.45341	-109.21341	8319	7945	Chris
43-019-31192	ARCO STATE 36-8	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	SWSW	36	15.5S-24E	945	S	850	W	39.45468	-109.22361	7789	7490	Chris
43-019-30240	ARCO STATE 2-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	NESE	2	16S-24E	2194	S	991	E	39.44346	-109.23015	8443	7600	Chris
43-019-30241	ARCO STATE 2-2	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	NWNW	2	16S-24E	769	N	857	W	39.44995	-109.24212	7886	7250	Chris
43-019-30047	BITTER CREEK 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	SAN ARROYO	State	State	ML-25151	GRAND	SWSE	2	16S-25E	395	S	2530	E	39.4387	-109.12413	7375	6658	Chris
43-047-30765	BLACK HORSE CANYON FED 31-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84500000	-	-	BLACK HORSE CYN	Federal	Federal	U-14234	UINTAH	NWSW	31	15S-24E	1820	S	500	W	39.46736	-109.28001	8262	7910	Chris
43-019-15884	FEDERAL 174 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84875000	-	-	SAN ARROYO	Federal	Federal	U-0126528	GRAND	SESW	11	16S-25E	1285	S	2090	W	39.42669	-109.1264	6577	5299	Chris
43-019-11089	FEDERAL GILBERT 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84500000	-	-	SAN ARROYO	Federal	Federal	U-0126528	GRAND	SWNE	11	16S-25E	1700	N	1830	E	39.4329	-109.12144	7001	6200	Chris
43-019-15023	BAR X UNIT 4	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064807	GRAND	NENE	18	17S-26E	660	N	660	E	39.33379	-109.07281	5146	3599	Chris
43-019-30592	BAR X UNIT 11	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064807	GRAND	NWNW	18	17S-26E	1319	N	1285	W	39.33203	-109.08486	5200	3466	Chris
43-019-31371	BAR X UNIT 25	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064806	GRAND	NWSE	12	17S-25E	1384	S	2165	E	39.33965	-109.09684	5273	3742	Chris
San Arroyo Unit																								Chris	
43-019-16532	SAN ARROYO 1	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-071307	GRAND	SENW	26	16S-25E	1712	N	2566	W	39.38943	-109.12453	6033	5065	Chris
43-019-15892	SAN ARROYO 11	SWEVCO-SABW	Shut-In	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05059C	GRAND	NESW	15	16S-25E	1760	S	1990	W	39.41349	-109.14544	7524	6367	Chris
43-019-15893	SAN ARROYO 12	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-071307	GRAND	SWSW	23	16S-25E	1140	S	1220	W	39.39734	-109.12949	6507	4731	Chris
43-019-15894	SAN ARROYO 13	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0370A	GRAND	C-SW	22	16S-25E	1320	S	1320	W	39.39783	-109.14783	7592	6260	Chris
43-019-15896	SAN ARROYO 16	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	SESW	26	16S-25E	1125	S	1790	W	39.38276	-109.12746	5922	4884	Chris
43-019-15897	SAN ARROYO 17	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25243	GRAND	NENE	24	16S-25E	660	N	940	E	39.40676	-109.09956	5983	5003	Chris
43-019-15898	SAN ARROYO 18	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06023	GRAND	NWNW	30	16S-26E	660	N	990	W	39.39241	-109.09272	5778	4128	Chris
43-019-15899	SAN ARROYO 19	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011B	GRAND	SWSE	14	16S-25E	820	S	1610	E	39.41086	-109.12089	6305	5200	Chris
43-019-15885	SAN ARROYO 2	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-0370A	GRAND	SENW	22	16S-25E	2420	N	2430	W	39.40199	-109.14379	7752	6826	Chris
43-019-15900	SAN ARROYO 20	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-071307	GRAND	SENE	26	16S-25E	1360	N	170	E	39.39025	-109.11553	6855	5457	Chris
43-019-15901	SAN ARROYO 21	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	NWSE	25	16S-25E	2066	S	2340	E	39.3853	-109.1047	5878	4299	Chris
43-019-15902	SAN ARROYO 22	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011A	GRAND	NENE	15	16S-25E	1210	N	990	E	39.41968	-109.13711	6480	5500	Chris
43-019-15903	SAN ARROYO 24	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06188	GRAND	SENW	19	16S-26E	2450	N	1495	W	39.40194	-109.09106	6023	4815	Chris
43-019-15904	SAN ARROYO 25	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25244	GRAND	SWNE	21	16S-25E	1520	N	1805	E	39.40437	-109.15872	7599	5894	Chris
43-019-15905	SAN ARROYO 26	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25297	GRAND	SWSW	20	16S-26E	660	S	660	W	39.39603	-109.07543	5800	4800	Chris
43-019-15906	SAN ARROYO 27	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06021	GRAND	NESW	29	16S-26E	1990	S	2100	W	39.3851	-109.07027	5584		Chris
43-019-15907	SAN ARROYO 28	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-5650	GRAND	NWNE	29	16S-26E	660	N	1980	E	39.39225	-109.06591	5690	4260	Chris
43-019-15908	SAN ARROYO 29	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0307A	GRAND	NENE	22	16S-25E	1300	N	195	E	39.40492	-109.13429	6849	5200	Chris
43-019-15886	SAN ARROYO 3	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0307A	GRAND	SENW	23	16S-25E	1425	N	1450	W	39.40481	-109.12847	6474	5460	Chris
43-019-15909	SAN ARROYO 30	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05650	GRAND	NWSW	21	16S-26E	2600	S	900	W	39.40124	-109.05587	5481	4293	Chris
43-019-30527	SAN ARROYO 31	SWEVCO-SABW	Shut-In	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0370A	GRAND	NWNW	22	16S-25E	1111	N	913	W	39.40567	-109.14907	7742	6071	Chris
43-019-30528	SAN ARROYO 32	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011B	GRAND	SWSW	14	16S-25E	678	S	370	W	39.41066	-109.13255			

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>																																												
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-31928																																												
<b>1. TYPE OF WELL</b> Water Injection Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> TIN CUP MESA																																												
<b>2. NAME OF OPERATOR:</b> MAR/REG OIL COMPANY		<b>8. WELL NAME and NUMBER:</b> TIN CUP MESA 1-25																																												
<b>3. ADDRESS OF OPERATOR:</b> PO Box 18148 , Reno, NV, 89511		<b>9. API NUMBER:</b> 43037306900000																																												
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1950 FNL 0790 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNW Section: 25 Township: 38.0S Range: 25.0E Meridian: S		<b>9. FIELD and POOL or WILDCAT:</b> TIN CUP MESA																																												
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		<b>COUNTY:</b> SAN JUAN																																												
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">TYPE OF SUBMISSION</th> <th colspan="3">TYPE OF ACTION</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;"> <input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b>            Approximate date work will start:  <b>4/30/2014</b> </td> <td><input type="checkbox"/> ACIDIZE</td> <td><input type="checkbox"/> ALTER CASING</td> <td><input type="checkbox"/> CASING REPAIR</td> </tr> <tr> <td style="vertical-align: top;"> <input type="checkbox"/> <b>SUBSEQUENT REPORT</b>            Date of Work Completion:         </td> <td><input type="checkbox"/> CHANGE TO PREVIOUS PLANS</td> <td><input type="checkbox"/> CHANGE TUBING</td> <td><input type="checkbox"/> CHANGE WELL NAME</td> </tr> <tr> <td style="vertical-align: top;"> <input type="checkbox"/> <b>SPUD REPORT</b>            Date of Spud:         </td> <td><input type="checkbox"/> CHANGE WELL STATUS</td> <td><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS</td> <td><input type="checkbox"/> CONVERT WELL TYPE</td> </tr> <tr> <td style="vertical-align: top;"> <input type="checkbox"/> <b>DRILLING REPORT</b>            Report Date:         </td> <td><input type="checkbox"/> DEEPEN</td> <td><input type="checkbox"/> FRACTURE TREAT</td> <td><input type="checkbox"/> NEW CONSTRUCTION</td> </tr> <tr> <td></td> <td><input type="checkbox"/> OPERATOR CHANGE</td> <td><input type="checkbox"/> PLUG AND ABANDON</td> <td><input type="checkbox"/> PLUG BACK</td> </tr> <tr> <td></td> <td><input type="checkbox"/> PRODUCTION START OR RESUME</td> <td><input type="checkbox"/> RECLAMATION OF WELL SITE</td> <td><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION</td> </tr> <tr> <td></td> <td><input type="checkbox"/> REPERFORATE CURRENT FORMATION</td> <td><input type="checkbox"/> SIDETRACK TO REPAIR WELL</td> <td><input type="checkbox"/> TEMPORARY ABANDON</td> </tr> <tr> <td></td> <td><input type="checkbox"/> TUBING REPAIR</td> <td><input type="checkbox"/> VENT OR FLARE</td> <td><input type="checkbox"/> WATER DISPOSAL</td> </tr> <tr> <td></td> <td><input type="checkbox"/> WATER SHUTOFF</td> <td><input type="checkbox"/> SI TA STATUS EXTENSION</td> <td><input type="checkbox"/> APD EXTENSION</td> </tr> <tr> <td></td> <td><input type="checkbox"/> WILDCAT WELL DETERMINATION</td> <td><input checked="" type="checkbox"/> OTHER</td> <td>OTHER: <span style="border: 1px solid black; padding: 2px;">Request for Extension</span></td> </tr> </tbody> </table>			TYPE OF SUBMISSION	TYPE OF ACTION			<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: <b>4/30/2014</b>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION		<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK		<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION		<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON		<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL		<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION		<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <span style="border: 1px solid black; padding: 2px;">Request for Extension</span>
TYPE OF SUBMISSION	TYPE OF ACTION																																													
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: <b>4/30/2014</b>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR																																											
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME																																											
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE																																											
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION																																											
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK																																											
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION																																											
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON																																											
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL																																											
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION																																											
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <span style="border: 1px solid black; padding: 2px;">Request for Extension</span>																																											
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> Request an extension to conduct remedial work. Request extension to April 30, 2015. Operator will monitor casing pressure weekly and file pressure report monthly.																																														
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p style="text-align: center;"><b>Approved by the Utah Division of Oil, Gas and Mining</b></p> <p><b>Date:</b> <u>10/31/14</u></p> <p><b>By:</b> <u>[Signature]</u></p> </div> <div style="width: 35%; text-align: right;"> <p><b>COPY SENT TO OPERATOR</b></p> <p><b>Date:</b> <u>11.3.2014</u></p> <p><b>Initials:</b> <u>KS</u></p> </div> </div>																																														
<b>NAME (PLEASE PRINT)</b> Tariq Ahmad		<b>PHONE NUMBER</b> 775 852-7444																																												
<b>SIGNATURE</b> N/A		<b>TITLE</b> Petroleum Engineer																																												
<b>DATE</b> 10/29/2014																																														